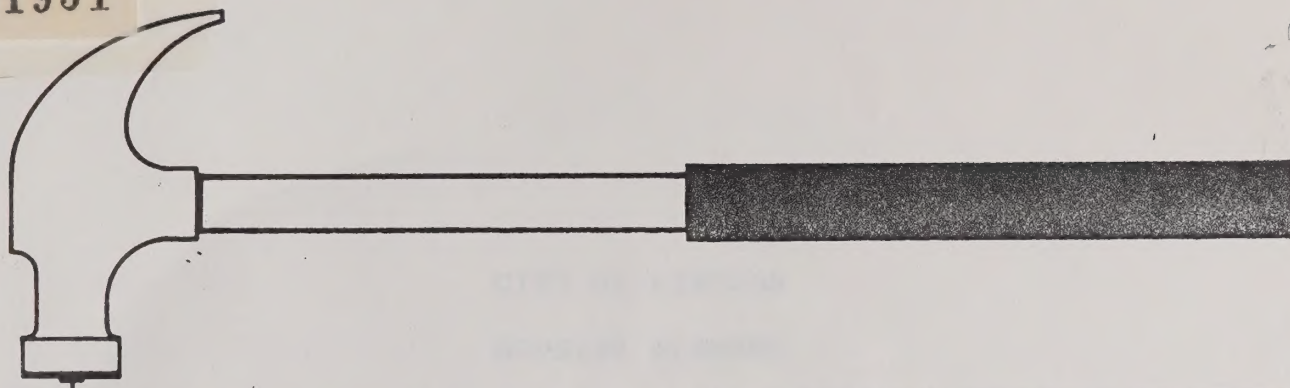


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HOUSING ELEMENT

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CITY OF LINCOLN

HOUSING ELEMENT

JULY 1986

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 RESOLUTION NO. 86-16
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INTRODUCTION/PURPOSE

In July of 1983 the City of Lincoln adopted a Revised Housing Element in accordance with the requirements and specifications of Assembly Bill 2853 and codified in Section 65580 et seq. of the California Government Code. The purpose of updating the City's Housing Element, at this time, is to comply with the State Legislature's recently adopted guidelines regarding the Revision of Housing Elements pursuant to California Government Code Section 65588(b)(3). The update of the City's Housing Element will include a review of the appropriateness of the current housing goals, objectives, and policies in striving to achieve the State's housing goals as well as the effectiveness of the Element in attaining the City's housing goals and objectives.

This Housing Element focuses on the City's housing needs for the years 1986-1991. This document is intended to identify feasible programs which can be implemented or pursued by the City of Lincoln in order to satisfy these housing needs. The adoption of housing policies and the formulation of programs are intended to serve as a guide for local officials, property owners, and the general public in addressing housing needs.

GENERAL CONDITIONS

The City of Lincoln is located in the northern portion of the Sacramento region, 25 miles from the State Capitol and one of the three cities found within the southern portion of Placer County. According to the 1980 Census, the City of Lincoln, in 1980, contained a population of 4,132 residents, 1,527 housing units, and 1,459 total households. Over a ten year period from 1970 to 1980, the City of Lincoln had experienced an average annual growth rate of 3%. However, since 1980 the City's population has increased to 5,000 and averaged a 4% annual growth rate. It is projected that the City's population may reach 7,400 by the year 1991.

NEEDS IDENTIFICATION

A. Existing Needs

The City of Lincoln recently revised and adopted a Housing Element in July of 1983. The assessment of housing needs at that time were based upon the recently conducted 1980 Census. The Update of this Element will also rely in general upon the 1980 Census figures as well as estimates developed by City staff and the more recently Department of Finance figures.

1.1 Affordability of Housing

Housing affordability refers to the relationship between total household income and total household expenditure for housing, including mortgage (or rent), taxes, insurance, and utilities. This relationship is typically expressed as the percentage of total household income allocated to housing expenditures. The actual percentage will, of course, vary from household to household reflecting individual choices regarding the allocation of income.

Notwithstanding the fact that individual households may choose to spend more or less for their housing needs, it is necessary to have some guidelines as to what a household should expect to spend on housing in relation to other expenditures. This is particularly necessary for households in lower income categories where the expenditure for housing is likely to directly affect the amount of money available for other basic needs of food, clothing, and transportation. For wealthier households, a larger than typical housing expenditure is likely to be taken from non-basic discretionary income rather than basic needs.

For many years the standard guideline for determining whether a housing unit was "affordable" to a prospective renter or purchaser was that the total cost to rent or own and operate the unit should not exceed 25% of the household's gross income. This guideline is still applied to most federal and state housing programs. However, according to local lending institutions, the use of much higher ratio's of income to monthly payments as much as 40% have become normal in the industry.

The South Placer Policy Committee, which is an organization established by the three local jurisdictions in the South Placer Area (Roseville, Rocklin, Lincoln, and Placer County) to discuss regional growth issues, include the following affordability standard based upon its study of the question¹:

"Housing shall be considered affordable for any given income classification if, for households in that income classification, the monthly purchase payment, including principal, interest, taxes, and insurance or monthly rent payments, including rent and utilities, does not exceed 35% of total household income. For households earning less than 80% of the prevailing median income, the costs for housing should not exceed 30% of total household income."

¹ Much of the South Placer Policy Committee's recommendations were based upon information provided in the Roseville Affordable Housing Task Force Findings, 1981.

This standard was adopted by all of the South Placer jurisdictions including the City of Lincoln and was utilized in Lincoln's Housing Element. Since adopting that standard, the City has found it to be representative of affordability standards within the South Placer Region.

1.2 Income Levels

The affordability of housing is a direct function of family and household income levels, housing costs expressed in monthly rental and mortgage payments.

The median² household income in the City of Lincoln, according to the 1980 Census, was \$13,617 and the median family income was \$16,518. In comparison, the median household income in Placer County was \$18,685 and for median family incomes the County level was \$21,662.

In 1980 the Sacramento Area Council of Governments (S.A.C.O.G.) assumed a median household income level of \$24,605 for defining income categories and assessing housing needs in the Sacramento Region during the 1981-86 period in compliance with Government Code Section 65584 to develop a regional housing needs allocation.

The standard definition used by the Federal Department of Housing and Urban Development (H.U.D.) of income categories is that households earning 50% of the median household income or less are classified as very low income, households earning 51% - 80% of the median household incomes are classified as low income, households earning 81% - 120% of the median household income are moderate income, and households earning greater than 120% of the median household income are above moderate.

Therefore, utilizing the SMSA regional standard for median household incomes of \$24,605, low income households are those earning \$19,684 or less. By this standard, 70% of the households in Lincoln in 1980 would be low income, 20% were moderate incomes, and 10% were in the high income range (see Table 1A below).

² Median Incomes are the income levels of which 50% of the households (or families for family median income levels) earn less than the amount and 50% earn more than the amount.

TABLE 1A

Lincoln Median Household Income1980 Census

<u>Household Income</u>	<u>Number of Households</u>	<u>% of Total</u>
\$ 0 - \$ 2,499	43	3%
2,500 - 4,999	206	14%
5,000 - 7,499	125	9%
7,500 - 9,999	187	13%
10,000 - 12,499	116	8%
12,500 - 14,999	103	7%
15,000 - 17,499	133	9%
17,500 - 19,999	<u>100</u>	<u>7%</u>
Subtotal	1,013	70%
\$20,000 - \$22,499	80	6%
22,500 - 24,999	77	5%
25,000 - 27,499	92	6%
27,500 - 29,999	<u>50</u>	<u>3%</u>
Subtotal	299	20%
\$30,000 - \$34,999	51	4%
35,000 - 39,999	46	3%
40,000 - 49,999	23	2%
50,000 - 74,999	5	.4%
75,000 or more	<u>9</u>	<u>.6%</u>
Subtotal	134	10%

This conclusion points up the need to exercise extreme caution in applying regional averages to local community situations. Although it is necessary to use the regional data as reference points and in working with various federal, state, and regional figures, this Housing Element and all other efforts to plan for and implement housing development should also consider the actual housing demand and housing market in the community.

In the evaluation of existing housing needs, relative affordability is based on the percentage of households paying more than 30% of their gross income for housing costs (rent or purchase plus utilities, taxes, and insurance) as of the 1980 Census. The income levels in Lincoln at that time were substantially below the regional median, however, housing prices were also substantially below the median price. For a current assessment of affordability, the median household income figures provide some indication but over time this data will be less reliable. In the section dealing with future housing needs, more current median income data will be used to assess affordability.

1.3 Existing Housing (1980 Census)

As of the 1980 Census, there were 1,527 housing units in Lincoln. Of these, 465 units or 30% were rental units with 34 units or 7.3% vacant and for rent. The median gross rent was \$187 per month. If \$50 per month were added to account for utilities in the typical apartment, the median household expenditure for rental housing would have been \$237 per month. Applying the rule of 30% of gross income to housing expenditures, this equates to a monthly household income of \$790 or \$9,480 annually. Gross rent for all renting households was distributed as follows in Table 1B:

TABLE 1B

Gross Rent for all Renting Households in Lincoln

1980 Census

<u>Gross Rent</u>	<u>Number of Units</u>
\$ 0 - \$ 59	7
60 - 79	15
80 - 99	21
100 - 119	28
120 - 149	49
150 - 169	61
170 - 199	60
200 - 249	74
250 - 299	58
300 - 349	32
350 - 399	20
400 - 499	6
500 or more	
No Cash Rent	9

In 1980, the gross rent as a percent of income exceeded 25% of household income for 56% of the rental households. If the standard of 30% household income allowed for rent were applied, the percentage of households overpaying for rent would decrease to 42%. The distribution of rent payments as a percentage of gross income by income category in 1980 is shown in Table 1C below:

TABLE 1C

Household Income by Gross Rent
as Percentage of Income in Lincoln

1980 Census

Rent as %
of Income

	<u>\$0 -</u> <u>\$4,999</u>	<u>\$5,000 -</u> <u>\$9,999</u>	<u>\$10,000 -</u> <u>\$14,999</u>	<u>\$15,000 -</u> <u>\$19,999</u>	<u>\$20,000</u>
0 - 19%		22	39	33	42
20 - 24%	28	8		21	
25 - 34%	35	31	37	6	
35+%	93	36			
Not Computed				5	4

Ownership units accounted for 70% of the housing stock in 1980. The median monthly household expenditure for mortgage and selected monthly owner costs was \$234³. Of the 1,062 units identified as ownership units, 350 or 33% are not mortgaged. The median household expenditures for these units is \$87⁴. The distribution of units by monthly expenditures is shown in Table 1D below:

³ S.A.C.O.G. - Regional Census Data Center, 1982, Page G-15.

⁴ S.A.C.O.G. - Regional Census Data Center, 1983, Page G-15.

TABLE 1D

Mortgage Status and Selected
Monthly Owner Costs

<u>Units With Mortgage</u>		<u>Units Not Mortgaged</u>	
\$ 0 - \$ 99		\$ 0 - \$ 49	53
100 - 149	34	50 - 74	64
150 - 199	127	75 - 99	118
200 - 249	169	100 - 124	96
250 - 299	92	125 - 149	13
300 - 349	31	150 - 199	6
350 - 399	21	200 - 249	
400 - 449	22	250+	
450 - 499	25		<u>350</u>
500 - 599	19		
600 - 749	12		
750+			
	<u>552</u>		

The mortgage and selected monthly payments exceed 25% of household income for 14.4% of the ownership households. If the standard of 30% of household income allowed for housing expenditures is applied, the percentage of households overpaying for housing decreases to 9.9%. The distribution of housing expenditures as a percentage of gross income category is shown in Table 1E below:

TABLE 1E

Household Income by Selected Monthly
Costs as a Percentage of Income

Owner Costs
as % of Income

	<u>\$0 -</u> <u>\$4,999</u>	<u>\$5,000 -</u> <u>\$9,999</u>	<u>\$10,000 -</u> <u>\$14,999</u>	<u>\$15,000 -</u> <u>\$19,999</u>	<u>\$20,000</u>
0 - 19%	25	113	77	134	319
20 - 24%	7	13	48	8	28
25 - 34%	7	35	8		15
35+%	43	10		12	

Summary: There were a total of 453 households paying rent in 1980. In applying the County median household income of \$18,685, the upper limit for lower income families would be \$14,948 per year and the limit for very low income families would be \$9,342. Using a standard of affordability of 30% of gross income, 162 very low income households were overpaying for rent. In the low income category, there were 18 households overpaying for rent. In the category of ownership/mortgaged units, there were 74 households in the very low income category overpaying for housing and in the low income category only 4 households were overpaying.

1.4 Housing Issue Balance of Housing Types

In the previous Housing Element it was noted that one of the issues facing the City was the balance of housing types within Lincoln. In reviewing housing development between the years 1975 and 1982, it was noted that of the 539 new residential units, 316 were single family units with 5 additional mobile homes. Of these 539 new units, 498 were developed under federally assisted programs such as Farmers Home Administration 502 Program and the 515 Rural Rental Assistance Program⁵. As a result, over 92% of Lincoln's housing stock built since 1975 was developed under deep subsidy federal programs targeted towards low income households. In 1982, units built under federal programs⁶ represented 27% of the City's overall housing stock of 1,816 units.

In addition, these units have all been located in the same geographical area of Lincoln which has resulted in concentrations of low income housing. These two factors raised important policy issues for the City of Lincoln in considering both short term and long term impacts of having constructed almost exclusive housing for the lower income ranges.

One result of this type of development is the tendency to keep median income levels lower than surrounding areas which are not developing a majority of housing directed at the lower income levels. As can be seen in Table 2A below, the City of Lincoln's median family income level is significantly below that of surrounding communities. While Lincoln's median family income level has, in the past, been below that of the Placer County Area, as a whole, this gap appears to be increasing.

In 1970 the City's median family income was 19% below that of Placer County's and in 1980 Lincoln's median family income dropped to 24% below that of Placer County's (see Table 2A below).

TABLE 2A

Median Family Income

<u>Year</u>	<u>Lincoln</u>	<u>Placer County</u>	<u>% Below Median County</u>
1970	\$ 7,865	\$ 9,725	19%
1980	\$16,518	\$21,662	24%

⁵ See Appendix A for discussion of these federal programs.

⁶ The above term, federal programs, does not include FHA or CHAF financed units.

It may be assumed that while this trend of dropping further below that of Placer County's median family income level can be attributed to a number of social, economic, and marketing factors at work in the area, the high proportion of low income dwelling units constructed in Lincoln since 1975 has played a significant role in attributing to this general increase in the gap of income levels.

This increasing gap in median income levels and the high proportion of low income housing has a direct impact on the City's fiscal capabilities to provide for needed public services and facilities. The existing system of taxation makes cities highly dependent upon property tax and, in particular, sales tax revenues (since the passage of Proposition 13) to fund the services they provide. The size of property and sales tax revenues that any city may garner is totally dependent on assessed valuations and the volume of sales resulting from sales transactions within its boundaries.

Thus, one aspect of having median income levels significantly below the County is that households within the City will have less disposable income and can be expected to generate less sales tax revenues than would be expected with higher income households.

In addition, the development of low income housing also has the effect of generating less property tax revenues due to lower valuations. The 1980 Census data reveals that Lincoln's median value of owner occupied units is between 41% and 26% below that of surrounding communities (see Table 2B below):

TABLE 2B

Median Value Owner Occupied Units

<u>Jurisdiction</u>	<u>Median Valuation</u>
Lincoln	\$47,900
Rocklin	81,100
Roseville	65,800
Placer County	77,900
Sacramento County	64,600

The potential impact of this trend is that the City of Lincoln will find its ability to improve and maintain existing levels of service increasingly difficult in the face of ever increasing costs of new services and facilities.

Such factors pointed to a need to establish a City policy towards growth and the type of housing which the City of Lincoln should promote both on a short term and long term basis in establishing a balanced distribution of low and high income housing.

The following section discussing the regional housing needs allocation plan which is an attempt to make progress towards balancing past differences in the allocation of future growth of all income categories is applicable to this issue. The implication of the allocation plan is that jurisdictions with a high income distribution relative to their market area should plan in their Housing Elements for higher levels of lower income housing and communities with a low income distribution should plan for increased levels of higher income housing.

Figures from the allocation plan⁷ for Lincoln indicated that between 1980 and 1986 the City of Lincoln should plan for the distribution of dwelling units as shown in Table 2C below.

TABLE 2C
1980-86 Allocation

<u>Income Category</u>	<u>Target Number of Units</u>
Very Low Income	182 Units
Low	152 Units
Moderate	179 Units
Above Moderate	320 Units

In 1983 when the City adopted its Housing Element it was noted that the total number of units targeted for the very low and low income groups was 334 units and that between 1980-83 the City had developed 307 units under the Farmers Home Administration Program targeted at the low and very low income groups; both home ownership and rentals (see Table 2D on Page 12). In terms of meeting the target number of units for those two income groups, the City of Lincoln was only 27 units short of the 1986 goal. In comparison, the target goals for dwelling units in the moderate and above moderate income levels is 499 units by 1986.

What this data indicated was that the City of Lincoln had nearly fulfilled its target objectives for the lower income levels while lagging behind in the development of the upper range of housing. It also pointed to a need for the City to consider the establishment of policies and programs which will balance the type of housing units developed within Lincoln, particularly in light of the housing allocations figures which the City did undertake.

⁷ The base number of total units utilized by S.A.C.O.G. in developing the 1980-86 allocation figures was 1,472.

Since 1983 the City of Lincoln has developed 462 additional dwelling units bringing the City's total housing stock to 2,278 units as of the end of 1985. Of the 462 units developed since 1983, 40 new rental units were built under Farmers Home Administration's 515 Rural Rental Assistance Program targeted towards the lower income groups. This brought the City's total number of units developed for the lower income categories to 347 units which exceeded by 17 units the City's allocation for 1980-86. In terms of the moderate and above moderate category, in 1983 the City had developed only 7% or 37 units of the 1980-86 allocation which targeted 499 new units in this category. Since 1983 the City has added 422 new units in this category which brought the City to within 77 units of this target number or approximately 85%.

Part of the City's progress in obtaining more of a balanced housing stock is a result of Lincoln's efforts to establish programs which support various housing types. During 1985, the City provided over 10 million dollars in mortgage financing through the Single Family Mortgage Revenue Bond Program for first time home buyers. Interest rates for this project were provided at 9.95%.

In terms of the overall housing stock, as of 1985, the City has made progress since 1983 in establishing more of a balance in the type of units being developed in Lincoln. Currently, units developed under deep subsidy federal programs has been reduced to a smaller percentage of the overall housing stock. In 1983, such units represented 27% of the housing in Lincoln. As of 1985, that percentage is now 24% of the housing stock. At the same time, Lincoln has been able to meet its regional allocations in the lower income categories and make significant gains in meeting its moderate and above moderate allocations. While there is still a 15% shortfall in these categories, Lincoln has made progress in achieving some of the objectives established in 1983. What the current data indicates is that Lincoln will need to continue its efforts to monitor the situation and promote policies and programs which will balance the type of housing units developed in the City, particularly in light of the regional allocation figures.

TABLE 2D

Federally Assisted
Housing Units Constructed
Between 1975 and 1982

Valley View Projects 1, 2, & 3 502 Program	184 Units
Senior Citizen Complex 515 Rural Rental Program	70 Units
Valle Vista Apartments 515 Rural Rental Program	44 Units
Golden Village Apartments 515 Rural Rental Section 8 Program	48 Units
Individual Lots 502 Program	10 Units
Chapparral Estates 502 Program	30 Units
Quail Meadows 502 Program	72 Units
Parkview Apartments Phase I 515 Rural Rental Program	<u>40</u> Units
TOTAL	498 Units

Federally Assisted
Housing Units Constructed
Since 1982

Units as of 1982	498 Units
Parkview Apartments Phase II 515 Rural Rental Program	<u>40</u> Units
TOTAL	538 Units*

* While the City has approved Phase III of the Parkview Apartment Project which would represent another 40 units, that figure is not represented here since building permits have not been issued on Phase III.

B. Special Needs

Housing needs are a reflection of the special characteristics of the residents. The elderly, the handicapped, large families, and female heads of households are examples of those who may have particular difficulty locating housing that meets their special needs. The purpose of this section is to evaluate the extent and nature of special housing needs among the residents of Lincoln.

1.1 The Elderly

The elderly population (those 65 and older) of Lincoln numbered 502 individuals in the 1980 Census and comprised 12.1% of the total population. 57.9% of the elderly individuals were female. The median age of the entire population was 27.7 years, much lower than the regional average (29.4) and the median age in Roseville (31.8) and Rocklin (31). Elderly individuals were the householder (head of household) in 361 or 72% of all households with persons 65 years or older in residence. In the 361 housing units where the householder was 65 years or older, 112 households (31%) were renters. There were 187 elderly individuals who lived alone; 37.2% of the total elderly population. The distribution of households containing individuals aged 60 and older by size of household is shown in Table 3A below:

TABLE 3A

Households with One or More Persons 60 and 65
Years and Over by Persons in Households and
Household Types in Lincoln, California - 1980

	<u>60 Years and Older</u>		<u>65 Years and Older</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
1 Person Household	218	42.6%	187	47.5%
2 or More Persons - Family Household	288	56.4%	205	52.0%
Non-Family Household	5	1.0%	2	.5%
		<u>100.0%</u>		<u>100.0%</u>

Many units in Lincoln have been occupied by the same household for 20 years or more. In 1980, 299 units or 20.4% of the total occupied housing stock had been occupied by the same household prior to 1960. Only 7 of these were renter occupied. A substantial portion of owner occupied housing units, 350 units or 38.8%, carry no mortgage. Although there is no direct data available, it seems reasonable to conclude that many of the elderly residents occupy homes that have no mortgage and which they have occupied for many years. This suggests the potential use of a reverse annuity program for some elderly residents having difficulty meeting other rising costs of living.

The large number of elderly individuals living alone also suggests that there may be some opportunity to make more effective use of the existing housing stock, as well as provide companionship for the elderly, by matching those in need of housing with those who have excess space in large houses. A program of moderate rehabilitation may compliment such a matching program by providing more inhabitable space in older deteriorating units.

Elderly renters on fixed incomes may pose the major elderly housing concern for Lincoln. However, rental housing for the elderly is available. The Senior Citizen's Center, a Section 8 project, provides 70 units and Golden Village, a Farmers Home Administration project, provides 48 units which are now available to all age groups. The Golden Village Project was initially designed for senior housing but due to a lack of demand for 2 bedroom units, some units have been rented to other low income households. The 1980 Census indicated that there were 112 elderly renters. It is assumed that most of these were housed in the 70 units available at the Senior Citizen's Center. The Golden Village Units became available after the 1980 Census.

Since 1983 the City has also approved an additional senior citizen housing program which would provide 24 new apartment units to be funded under the Farmers Home Administration. It is anticipated that some of the City's elderly who are now living alone in single family dwellings may occupy these new apartments thereby making more effective use of the existing housing stock.

1.2 Handicapped Individuals

Information on handicapped individuals is sketchy at best. This is due in part to the fact that handicap can take many forms and these may or may not be pertinent to an analysis of housing needs. In the 1980 Census it was reported that there were a total of 185 individuals with a disability that would limit or prohibit their use of public transit. It is presumed that such a disability would also pose special needs in housing. Special needs would relate primarily to access and safety consideration but given the limited income potential for many disabled persons, affordability is also a concern.

There were no residents reported in group quarters including homes for the aged in 1980. Therefore, it must be assumed that all disabled persons were living in private housing. Whether such living arrangements were affordable and were adapted to the special needs of the disabled individuals cannot be determined from the available information. It is assumed that a large percentage of these households are low income because their situation precludes them from a job or their housing needs are similar to other low income households.

1.3 Large Families

Concern over the special needs for housing units by large families indicates a presumption that there are not adequate sleeping rooms per dwelling unit. However, in Lincoln, the 1980 Census indicates that conventional single family dwellings are the primary building type and that the predominate number of rooms per unit is five found in 34.6% of the housing units. The median number of rooms per unit is 4.9 and the median number of persons per unit is 2.48. Fifteen percent of the households have five or more individuals in residence but 67% of the units have five rooms or more.

TABLE 3B

Year Round Housing Units in Lincoln

1980 Census

	<u>Units</u>	<u>Percent of Total</u>
1 Room	7	.4
2 Rooms	79	5.0
3 Rooms	192	13.0
4 Rooms	260	17.0
5 Rooms	528	34.6
6 or More Rooms	456	30.0
Total	<u>1,522</u>	<u>100.0</u>

TABLE 3C

Occupied Housing Units by Person
Per Unit by Tenure in Lincoln

1980 Census

	<u>Total</u>	<u>Percent of Total</u>	<u>Renter Occupied</u>	<u>Percent Renter Occupied</u>
1 Person	332	22.7	169	37.4
2 Persons	404	27.8	121	26.8
3 Persons	249	17.0	70	15.4
4 Persons	258	17.8	49	10.8
5 Persons	128	8.7	51	6.8
6 or More Persons	88	6.0	13	2.8
Total	<u>1,459</u>	<u>100.0</u>	<u>453</u>	<u>100.0</u>

TABLE 3D

Occupied Housing Units by Tenure
by Persons Per Room in Lincoln

1980 Census

	<u>Owner Occupied</u>	<u>Renter Occupied</u>	<u>Total</u>	<u>Percent</u>
1.00 or less	938	416	1,354	92.8
1.01 to 1.50	47	22	69	4.7
1.51 or More	<u>21</u>	<u>15</u>	<u>36</u>	<u>2.5</u>
Total	<u>1,006</u>	<u>453</u>	<u>1,459</u>	<u>100.0</u>

There were 216 (14.8%) households that had five or more members of which 44 (20.3%) were renters. The housing stock in Lincoln is predominantly single family units; only 12.3% (189 units) of the stock is in structures of three or more units. It can reasonably be assumed that the great majority of single family units have at least four rooms. Based on this data, one would expect that the incidence of overcrowding is not great.

The total number of units with more than 1.01 persons per room (the accepted standard for overcrowding) is 105 or 7.2% of all occupied units. The majority of overcrowded units (65%) are ownership units.

Given the large number of housing units with five or more rooms relative to the distribution of persons per unit, it seems more likely that the incidence of overcrowding is more prevalent in the small households occupying the smaller units.

Therefore, the problem of overcrowding for large and small households appears to be related more to the affordability of units relative to incomes rather than the inadequacy of the units themselves. Because the majority of overcrowding occurs in ownership units, expansion of these units could prove to be an effective means of reducing the problem.

1.4 Farm Workers

The Lincoln area does not support agricultural production that requires a seasonal labor force. In the 1980 Census, only 32 Lincoln residents or 2.14% of the labor force were engaged in the occupations of farming, forestry, and fishing. No vagrant, seasonal, and migratory housing units were identified. Farm worker housing needs are not an issue in Lincoln.

1.5 Female Households

There are currently three categories of female householders in Lincoln - those who live alone, those who live with others but with no children, and those who are with others including children. In the 1980 Census, there were 213 single person female householders; it is estimated that 75% (160) of these are elderly women 65 and older. There were 38 female householders without children and 56 female householders with children.

According to the 1980 Census, the total number of female heads of households in Lincoln is 307. The average number of children for each female single parent is approximately two and they account for 3.8% of all households in Lincoln. Female householders in all categories account for 21.5% of all households.

Further descriptions of the housing needs of female heads of households would require information on income and household size that is not available.

It can be assumed here, as elsewhere, that households headed by female single parents may have difficulty locating suitable housing due to the traditional problems of access to credit and child care responsibilities. Adult only policies by landlords were not known to be a problem in Lincoln.

The number of single parent female households is currently small (56) and the availability of existing rental housing stock funded under Farmers Home Administration Programs should mitigate this special need to a significant degree. However, growth in the community is likely to increase the magnitude of this need to proportions more typical of those experienced in other communities.

1.6 Emergency Shelter

Information quantifying the need for emergency shelter within Lincoln is difficult to obtain due to the limitations of the Census data and the nature of the problem. The City, in attempting to assess the need for emergency shelter, contacted both the Lincoln Area Community Center, a local organization involved in the distribution of food and clothing to low income individuals, and the Placer County Community Services Department Housing Specialist. Both indicated that they have, on occasion, been contacted by individuals who were looking for housing for short periods of time (e.g., 2 to 4 weeks) until they could secure employment in the area. Other contacts involve transients who look for shelter for one or two days. Both agencies indicated that they have not been keeping formal records of such contacts or where individuals are relocating from. In that regard, it is difficult to assess with precision what the level of need for emergency shelter would be within Lincoln. During general emergencies such as the recent flooding in the Sutter/Yuba County Area, the City has made emergency shelter available in City facilities until people are able to return to their homes.

One approach which the City could take in order to determine with some degree of accuracy the scope of other types of emergency shelter needs would be to coordinate with such agencies as the Placer County Community Services Department requesting that they keep information regarding contacts for emergency shelter from the Lincoln community. This information may include such data as the type of shelter sought, time for which the housing is needed, where individuals are currently staying, and information concerning income. This type of information would establish a basis from which the City would be able to assess the need for emergency shelter and formulate programs to address this area.

C. Housing Condition

The condition of housing stock in Lincoln has been reviewed on an informal basis in the process of preparing the City's Community Development Block Grant Application (January 1983) and by an informal survey of the City conducted by the Planning Department (February 1983). Both of these reviews involved a windshield survey of those neighborhoods known to contain housing in less than sound condition.

The City of Lincoln generally does not have topographic or local relief features which would set one area or neighborhood aside as being distinct from another. Therefore, to a large extent the existing sound housing stock was found to be interspersed among those areas requiring improvement and rehabilitation.

One notable exception to this is the recent construction of new residential units west of O Street; an area which has been under development since 1975 and was essentially classified as sound units.

The 1980 Census found 1,527 total units in the City of Lincoln. If this is used as the base number, the results of the survey indicate that 8.2% or 126 units⁸ of the City's residential housing stock are in deteriorated or unsound condition and considered substandard housing in need of repair. The survey rated each residential structure in the following categories: sound, unkept, deteriorated, dilapidated, and unrehabitable. Housing units in the sound or unkept classifications are considered standard housing. Housing units in the deteriorated, dilapidated, and unrehabitable classifications are considered substandard housing.

The distribution of housing conditions are shown in Table 4A below:

TABLE 4A

1983 Survey

<u>Total Housing</u>	<u>Standard Housing</u>	<u>Substandard Housing</u>		
		<u>Deteriorated</u>	<u>Dilapidated</u>	<u>Unrepairable</u>
1,527	1,401	104	16	6
<u>Percent of Housing Stock</u>	92%	7%	1%	1%

⁸ Of the 126 substandard units identified in the survey, it is estimated that 58% of these units are owner occupied and 42% are renter occupied.

The majority of the substandard housing (approximately 92%) was found in the single family housing stock with the multiple family housing in a predominately sound condition. Much of this, no doubt, is due to the fact that a larger percentage of the multiple family housing in Lincoln has been developed in the last 12 years and is in good condition.

Since 1980 the City has issued permits for some 689 additional units which would bring the total housing stock to 2,216 dwelling units. Assuming that all the units constructed since 1980 are in a sound condition, this would reduce the overall percentage of substandard housing to 5%. In addition to developing more housing, the City has increased its Code Enforcement efforts resulting in the demolition of three of the six unrehabitable units. Additional steps need to be taken to prevent more units from declining into a state of being unrehabitable.

The Hoitt Addition, which is a sub-area of Lincoln, contains the highest concentration of the substandard housing found in the City; approximately 20% of the total substandard units. The occupants of these units are assumed to be predominately those with acute housing needs in today's market (i.e., the elderly, disabled, unemployed, and those in the lower income levels who are unable financially to make the needed repairs to their dwelling units). In addition, this area is characterized has having less than adequate infrastructure (curbs, gutters, sidewalks, storm drains, and roads).

The age of the housing units within the City is shown in Table 4B below:

TABLE 4B

Number of Units by Year Built

Lincoln 1985

	<u>Units</u>	<u>Percent</u>
1982-1985	462	20
1979-1982	464	20
1975-1978	243	11
1970-1974	104	5
1960-1969	221	10
1950-1959	167	7
1940-1949	248	11
1939 or Earlier	369	16
Total	<u>2,278</u>	<u>100</u>

Virtually all of the units are provided public water (99.6%) and public sewer (98.6%) while 98.4% of the dwellings have one or more complete bathrooms. Six units or 0.4% have no source of heat and 24 of the units or 1.6% lack complete kitchen facilities.

D. Vacancies

Vacancy estimates available from the 1980 Census and Department of Finance Population Unit Figures for January of 1985 indicate the vacancy rates over the last five years as shown in Table 4C below:

TABLE 4C

Vacant Housing Units

	<u>1980</u>	<u>1985</u>
Total Units	1,527	1,882
Occupied	1,464	1,809
Vacant	63	73
Percentage Vacant	4.1%	3.8%

E. Projected Needs

The future housing needs in Lincoln are currently quite uncertain as they are for other communities within the South Placer County Region. Under "normal" circumstances it is likely that Lincoln would continue to grow at a fairly modest rate of 50 to 100 dwelling units per year. However, there are many indicators that the community is on the threshold of a significant period of growth that will radically accelerate the historical pace of housing production. The number of units constructed from 1979 to 1985 relative to the units constructed in earlier years gives some indication of the potential magnitude of this trend (see Table 4D below). Since 1979 the growth in the City's housing stock has averaged 7%. Whether this anticipated growth will occur depends on two key factors:

1. Growth in the economy of the South Placer Region is expected to be stimulated by the location of high technology industrial development in Roseville and other locations in the South Placer Region. Whether the growth will occur at the rate and magnitude anticipated will depend on several variables exogenous to the Sacramento economy as well as competition from other areas in the Sacramento Region.
2. Industrial development within Lincoln itself will generate substantial housing demands.

TABLE 4D

Housing Inventory

Units Constructed

Period Beginning - 4/1/70

Dwelling units - 1,068

<u>Year</u>	<u>Number Constructed</u>	<u>Percent Increased</u>	<u>Total</u>
1970	29	2.7	1,097
1971	25	2.2	1,122
1972	29	2.5	1,151
1973	5	0.4	1,156
1974	34	2.9	1,190
1975	87	7.3	1,277
1976	37	2.8	1,314
1977	32	2.4	1,346
1978	64	4.7	1,410
1979	139	9.8	1,549
1980	90	5.8	1,639
1981	11	0.6	1,650
1982	166	10.0	1,816
1983	55	3.0	1,871
1984	35	1.8	1,905
1985	372	19.5	2,277

Growth of any significant magnitude will depend on the completion of the Highway 65 Bypass connecting I-80 to the existing Highway 65 at Blue Oaks Boulevard. Until this highway is built, development south of Lincoln will be limited by poor access and overcapacity conditions on the present road system.

The high growth anticipated in the 1980's by even the most conservative projections has been stalled for the last several years and in all likelihood will not occur until a strong and sustained recovery is experienced in the national economy.

As a result, job growth in the high tech industries has been slow. The number of new manufacturing jobs established in the South Placer Region from 1983 through 1984 was 200⁹. Immigration of population to fill the new jobs has not occurred to any significant degree. This is largely due to the availability of an existing labor pool in South Placer comprised of the unemployed which accounted for more than 12% of the work force in 1981 and 1982 and women entering the labor force for the first time. Much of the employment offered by the high tech firms is semi-skilled assembly work which seems to be compatible with the skill level of those re-entering or entering the labor force for the first time.

⁹ Data based upon South Placer Policy Committee's 1984 Status of Jobs Housing Balance.

In the South Placer Region, the labor force participation rate (the number of workers in the labor force relative to total population) is quite low relative to the Saramento Region. This indicates that a significant percentage of new jobs could be taken by existing residents not already in the labor force or shifting employment from one labor category to another (i.e., construction materials manufacturing to high technology).

In terms of projecting housing needs for the City of Lincoln, there are three primary sources which basically utilize employment growth as a means of deriving future housing needs.

The Gruen-Gruen Study was prepared in 1980 for the member jurisdictions, including Lincoln, of the South Placer Policy Committee. It was intended to provide a description of air quality, transportation, and housing impacts stemming from an assumed employment base of 30,000 basic jobs projected to develop over the next 20 years. Under the Gruen scenario, Lincoln would have absorbed 13 percent of new residential growth in South Placer or a total of 5,850 dwelling units over the build-out period or an average of 292 units per year. It should be noted that the Gruen Study projected that high tech industrial development would actually be on the order of 33% to 50% (10,000 to 15,000) of the assumption used for projection of housing needs. This would presumably reduce the housing demand by 50% to 67% or 2,925 to 1,950 units. This would require an average of 97 to 146 units per year; a growth rate comparable to the community's experience in the past few years. Furthermore, because the secondary jobs multiplier used by Gruen assumed a fully developed economy in South Placer, a situation less likely to occur under the reduced basic jobs scenario, the housing growth generated by new job development would be even lower.

In counterpoint to this discussion it should be noted that the growth percentages allocated to each jurisdiction in the Gruen Study were arbitrary and assumed that a substantial share of growth (27%) would occur in the Loomis Basin. The policies of Placer County and the South Placer Policy Committee have substantially diminished the significance of the Loomis Basin in terms of accomodating growth generated by employment development in the Highway 65 corridor. There are two fundamental reasons for these policies: (a) the Loomis Basin is, for the most part, beyond the reasonable commute distance of eight miles established by the South Placer Policy Committee; and (b) the Policy Committee has concurred with the Placer County Policy that development requiring urban services should occur only in incorporated jurisdictions. Incorporation of the Loomis Basin was recently completed and presumably this incorporation will result in allocation of a fair share of housing responsibility to the new city, however, the effects of this new jurisdiction were not evaluated at this time.

Under the scenario of economic development and housing requirements proffered by the Gruen Study, the average annual housing demand in Lincoln during the 1980-85 period would have been 65 units. In the period of 1986-90, the average annual number of units required would increase to 210 units. This projection indicates relatively low housing demand in the first five years because it was assumed that a significant number of the new jobs would be absorbed by the existing residents. The housing demand following this five year period was to exceleerate.

A second source of projections on housing requirements was prepared for the Lincoln Airpark E.I.R. Because this Project includes the most significant concentration of industrial development potential in Lincoln, the housing analysis is particularly pertinent to the housing need projection of the entire City. According to the E.I.R., the Airpark is expected to add 3,100 employees by the year 1990 and an additional 2,900 employees by the year 2000. Population in the City is expected to double from 4,132 in 1980 to 8,939 in the year 2000. This equates to a compound annual growth rate of 3.93%.

The E.I.R. projection of housing demand was based on consideration of two key factors. First, as noted above, the labor force participation level in Lincoln is rather low due to a lack of adequate employment opportunities. As employment opportunities increase over the planning period, its employment ratio will undoubtedly approach more normal proportions. According to the 1980 Census, 1,492 individuals had employment; a labor force of 36% or 2.76 people per job. Only 750 of these or 50%, were full-time jobs (50-52 weeks per year, 35 or more hours per week). Unemployment at that time involved 13% of the labor force.

If a labor force participation rate of 44% or 2.25 people per job were considered normal, the total number of full-time employees in Lincoln, without any increase in population, would be 1,818. Theoretically then, over 1,000 new jobs could be created in Lincoln without affecting housing requirements other than current needs.

A second factor influencing the availability of local labor and the potential to absorb new jobs with existing residents is the fact that at present a large percentage of Lincoln residents work outside the area; many commuting long distances to jobs in Sacramento County. The availability of jobs closer to their residences could certainly attract many of these Lincoln residents thereby reducing the need for additional housing.

In the E.I.R. projection of housing demand it was assumed that at market absorption in 20 years (171 acres of industrial land, 6,000 jobs) approximately 25% of the new employment would be met through increased labor force participation and a higher percentage of existing residents choosing to work near their homes. Based on this assumption it was projected that the total housing requirement at market absorption would be an additional 4,500 units. The average annual rate of production would need to be 225 units. It was further assumed that 43 percent of these units would be constructed as an element of the Airpark Project and an additional 7% would be located elsewhere in Lincoln. The balance, 50%, would be distributed outside the City. For the purposes of this Study, this adjustment will not be made; all housing demands generated by the project were considered.

As events have indicated since 1980, the rate of growth in manufacturing employment has not been as dramatic as the employment forecasts have projected. Employment growth in the South Placer County Area is still expected to continue but at a slow rate in the early period of 1980-2000 and more rapidly in later years. Initially, South Placer County, including Lincoln, will still be a relatively new industrial area, the economics of agglomeration will not yet be present and new capital intensive facilities will need to be developed. Later growth will increase not only as new firms choose to locate in this region but also as employers already located here decide to expand.

Taking into consideration these factors, the projection of future housing demand in South Placer County, in general, and Lincoln, in particular, is difficult to ascertain with a high degree of certainty because Lincoln and the South Placer Region are in a state of transition from an essentially rural community to a more suburban community with developing urban characteristics. In the face of this situation, cities are required by California Law to participate in a Regional Fair Share Housing Allocation Plan which is the third source of housing demand projections. The Sacramento Area Council of Governments (S.A.C.O.G.) is responsible for determining the population growth potential of each jurisdiction and apportioning the growth on the basis of a fair share of housing in each income category (very low, low, moderate, and above moderate). These housing allocation figures are to be used in the determination of the City's housing needs for the period of 1983-1990. In developing the allocation figures for Lincoln, S.A.C.O.G. utilized an annual growth rate of 6.5%. In reviewing S.A.C.O.G.'s projections with the two previous studies, it was determined by City staff that the 6.5% annual growth rate has been more in line with events since 1980 and the regional housing allocation figures be used to analyze future needs.

As determined by the Allocation Plan, the City of Lincoln is projected to need 973 additional housing units between 1983 and 1990; an average of 139 dwellings per year as shown in Table 5A below:

TABLE 5A

Housing Needs Allocation for Lincoln
1983-1990

<u>Income Category</u>	<u>1983</u>	<u>% of 1983 Total</u>	<u>1990</u>	<u>% of 1990 Total</u>	<u>1983-90 Increase</u>	<u>% of Increase</u>
Very Low ^a	645	40.2	872	33.9	227	23.3
Low ^b	321	20.0	498	19.3	177	18.2
Moderate ^c	334	20.8	544	21.1	210	21.6
Above Moderate ^d	303	19.0	662	25.7	359	36.9
Total	<u>1,603</u>	<u>100.0</u>	<u>2,576</u>	<u>100.0</u>	<u>973</u>	<u>100.0</u>

The Regional Housing Needs Allocation Plan indicates that the housing price range should be affordable to the following income categories:

TABLE 5B

Regional Housing Need Allocation
by Income Category in Lincoln

	<u>Percent</u>	<u>Target # of Units</u>
Very Low	23.3	227
Low	18.2	177
Moderate	21.6	210
Above Moderate	36.9	359
Total	<u>100.0</u>	<u>973</u>

^a Very Low = Households with 50% of median family income or less.

^b Low = Households with 51% to 80% of median family income.

^c Moderate = Households with 81% to 120% of median family income.

^d Above Moderate = Households with incomes above 121% of median family income.

Source: S.A.C.O.G. Regional Housing Needs Allocation Memorandum.
December 1982.

F. Affordability of Housing

As noted in the Needs Section, the affordability of housing is defined by the percentage of a household's gross income spent on all housing costs: rent or purchase plus utilities, taxes, and insurance. For many years, the standard guideline for determining whether a housing unit was "affordable" was that the total cost to rent or own should not exceed 25% of the household's income. Research of lending practices within the region conducted by a City of Roseville Task Force indicated that 35% of gross household income is commonly used as a basis to qualify buyers. In some cases, 40% and 45% of gross income have been permitted. Based upon this research, the Task Force recommended that the standard of affordability be 35% of gross income for moderate and above moderate income households and 30% of gross income for low income households. This standard was adopted by the South Placer Policy Committee and subsequently adopted by the City of Lincoln as well as the other local jurisdictions of Rocklin and Roseville.

Using the median income figure of \$27,313¹⁰, Table 5C was developed as shown below:

TABLE 5C

Affordable Monthly Payments for
Varying Income Levels
(Family of Four)

	<u>Percent of Median Income</u>			
	<u>Very Low</u> <u>50%</u>	<u>Low</u> <u>80 %</u>	<u>Moderate</u> <u>100%</u>	<u>Above Mod.</u> <u>121%</u>
Income Level	\$13,650	\$21,850	\$27,313	\$32,776
Affordable Monthly Payments:				
@ 25% of Gross Income	\$284	\$455	\$569	\$683
@ 30% of Gross Income	341	546	682	819
@ 35% of Gross Income	398	637	796	955

The cost of ownership housing affordable to the various income categories is shown in Table 5D below. The monthly expenditure for housing has been translated to the maximum housing price affordable to each category at the assumed interest rate of 12%. In the example below, it is assumed that the house is financed with a 30 year fixed rate mortgage with a 10% down payment.

¹⁰ \$27,313 median income for a family of four for the Sacramento Metropolitan Statistical Area (SMSA) as established by the United States Department of Housing and Urban Development 1984.

For example, a family with a median income of \$27,313 can afford to pay monthly mortgage payments of \$682 which translates into affording a home costing \$75,200 or less, assuming an interest rate of 12%. If the interest rates were varied, it is obvious that this would have a significant influence on the ability of a family to afford a home.

TABLE 5D

Affordable Monthly Payments
for Varying Income Levels

	<u>Percent of Median Income</u>			
	<u>Very Low</u> <u>50%</u>	<u>Low</u> <u>80 %</u>	<u>Moderate</u> <u>100%</u>	<u>Above Mod.</u> <u>121%</u>
Income Level	\$13,650	\$21,850	\$27,313	\$32,776
Affordable Monthly Payment:				
@ 30% of Gross Income	\$341	\$546	\$682	\$819
Maximum Price of a House Assuming 30-Year Fixed- Rate Mortgage and 10% Down ^a :				
12% Interest	\$33,720	\$51,900	\$75,200	\$90,200
13% Interest	\$31,200	\$49,500	\$61,727	\$74,174

G. Current Sales Price of New Homes

The current average sales price for a new single family home in Lincoln is \$74,844 with prices ranging from a low of \$64,900 to a high of \$87,000. This average sales price reflects units constructed under conventional financing programs. The sales price for single family units built under the Farmers Home Administration funding can be found in Appendix A. New homes in Lincoln include the following ranges: two bedroom units include prices from \$64,900 to \$68,000; three bedroom units range in price from \$71,900 to \$87,000; with four bedroom units ranging in price from \$78,900 to \$97,400.

H. Current Rentals

Based upon information gathered from local real estate firms and landlords, Table 5E below was developed to identify the range of rents for non-subsidized apartments in Lincoln.

^a The price figure calculations include costs for property taxes and insurance. Utilities and maintenance are not included.

TABLE 5E

RENTAL UNITS BY TYPE*

	<u>1 Bedroom</u>	<u>2 Bedrooms</u>	<u>3 Bedrooms</u>
Range of Monthly Payments	\$190-\$225	\$258-\$350	\$300-\$400

* Source: City of Lincoln Planning Department

I. Land Inventory1.1 Vacant Sites (Original City)

Lincoln is a relatively compact community. Virtually all residential development, to date, has occurred in the confines of the original street plot layed out in 1890. Development extends within a mile east and west of Highway 65 which serves as the major north/south arterial of the City.

Within the original City street grid there are vacant, fully serviced¹¹ single parcels available for urban infill. Larger parcels of five or more acres are located to the west of the original City layout. This has been the site of a majority of the City's new residential growth.

Within the original area of Lincoln the amount of vacant land which could be utilized for residential development and the potential number of housing units are illustrated in Table 6A below:

TABLE 6A

Vacant Parcels of Three or
More Acres Within Original City

<u>Location</u>	<u>Acreage</u>	<u>Potential Units</u>
East of O Street	57	333

These parcels of land are essentially areas of infilling for the City of Lincoln. Public utilities such as sewer, water, gas, and electricity are available to these parcels and within close proximity to their boundaries. Of the infill areas, approximately 137 units would be developed at an average of five dwelling units per acre and 196 units would be some form of clustered development. The overall density for the area is approximately six dwelling units to the acre.

¹¹ As used in this context, fully serviced areas means that City services - sewer lines, water lines, etc. - are within reasonable proximity to the vacant site.

Unfortunately, many of the larger undeveloped areas in the original City street grid were subdivided and sold. The parcels are typically 6,250 - 6,500 square feet in area and few contiguous parcels are under single ownership. Therefore, development of many of these areas would require aggregation of existing parcels or the formation of special assessment districts. Many of these areas have, in the past, been slow to develop.

1.2 Vacant Land (West of O Street)

The great majority of new development will occur in areas to the west within the current City boundaries. These fall into two specific geographical areas; one being an undeveloped territory bounded on the east by an existing lumber mill facility extending west to the Lincoln Municipal Airport containing approximately 932 acres and the other large undeveloped portion of the City is located west of R Street between the Auburn Ravine and Nicolaus Road. This second area contains approximately 240 acres.

The first area includes the Lincoln AirCenter (aka Lincoln Airpark) Project which is an approved 640 acre mixed use project developed under the Planned Development Ordinance. In approving the project, the City of Lincoln has recently taken action to amend its General Plan Land Use Element in order to redesignate 209 acres from an industrial use classification to a residential use and an additional 90 acres to other non-industrial uses. The AirCenter Project will include industrial, residential, neighborhood commercial, as well as open space areas. The Project will yield a total of 1,885 dwelling units at an average density of nine dwelling units to the acre. The higher density ranges are from 12-15 dwellings units to the acre to 18-20 dwelling units to the acre. Of the total units, 1,001 will be multiple family residential, 456 units will be conventional single family, and 428 units will be clustered townhouses. Development of the residential areas within the project were undertaken in 1985 constructing the first of three phases of single family homes.

The other major development area, south of Nicolaus Road, includes the approved General Development Plan for Joiner Ranch. Comprised of several parcels, the residential portion of this project encompasses 172.7 acres allowing a total of 1,756 dwelling units ranging in density from 5 dwelling units to the acre to 20 dwelling units to the acre.

In addition, approximately another 40 acres is also available for development west of O Street. The total vacant acreage available for new development is shown in Table 6B below:

TABLE 6B

Vacant Residential Land
West of O Street, Lincoln

<u>Vacant Acres</u>	<u>Units</u>
422	3,881

The total amount of vacant residential land within both areas and the potential number of units are shown in Table 6C below:

TABLE 6C

Total Vacant Acreage Available
For Residential Development

<u>Location</u>	<u>Acres</u>	<u>Units</u>
West of O Street	422	3,881
East of O Street	57	333
Total	<u>479</u>	<u>4,214</u>

As the above figures indicate, there is more than a sufficient amount of vacant land zoned to meet the City's projected need of 973 units by 1990. In addition to providing a sufficient amount of land available for development to meet future needs, the City of Lincoln has, since 1980, taken steps to ensure that a sufficient amount of land is available in all density ranges (see Table 6D below). In 1984 the City's housing stock consisted of 1,906 total units of which 1,527 or 80% consisted of single family units, 309 units or 16% consisted of multiple family units, with 4% consisting of mobile homes. In 1986 the City, through project approvals, now has a housing stock which contains 1,611 or 73% single family homes, 597 or 26% multiple family units, with the remaining 1% in mobile homes.

TABLE 6D

Vacant Residential Land Zoned for
Development by Land Use Densities*
(Lincoln AirCenter/Joiner Ranch Combined)

<u>Dwelling Units/Acre</u>	<u>Acres</u>	<u>Potential Units</u>
5.0	60.0	295
6.0	104.0	625
7.0	63.2	443
8.0	37.6	301
12.0	17.1	205
14.0	11.6	161
15.0	18.5	307
18.0	33.8	608
20.0	34.8	696
Total	<u>380.6</u>	<u>3,641</u>

* Source: City of Lincoln Planning Department

1.2 Potential Development Sites

The City of Lincoln recently activated its Redevelopment Agency in 1981 with the Lincoln City Council sitting as the Agency's Board of Directors. A Project Area and Preliminary Plan has been adopted by the City Council and the Agency is currently in the process of reviewing and analyzing the Project Area of the Redevelopment Agency. The target date for final approval of the Agency's Redevelopment Plan is by Summer 1983.

The designated redevelopment areas include the undeveloped infill areas in the northeast quadrant of the City previously described in the discussion on developable vacant land. It also includes properties in the Hoitt Addition and parcels at 8th and 9th Streets between A and C Streets (see Figure 1).

The Redevelopment Plan projects that approximately one million dollars in tax interest funding will be available for low and moderate income housing during the life of the Plan.

1.4 Other Sites: Government Owned Land

There are no federal or state owned lands (other than existing Highway 65 and 193) in or near the City of Lincoln. The City owns 43 acres in the southwest corner of the City adjacent to the Auburn Ravine. This site was the old wastewater treatment facility and sludge and aeration lagoons still exist. The City Council authorized the sale of 34 acres of this site to fund the expansion of the existing sewage treatment facility from .52 to .80 mgd. This expansion is necessary to accommodate planned residential and industrial development in the City and it is anticipated that the 34 acres will be used for residential development. The balance of the site, approximately 13 acres, will be retained for future public facilities.

The City also owns the Lincoln Municipal Airport, a site of 640 acres. Due to the inherent conflict between residential use and the Airport activity, this site is not appropriate for residential development.

With the approval of the Lincoln AirCenter Project and the recent approval of a Master Plan for the Joiner Ranch, the majority of vacant land within Lincoln will have been essentially planned for future development establishing both land uses and densities of residential development. The only other large vacant parcel of land remaining is an area containing approximately 290 acres zoned industrial uses. This is located immediately adjacent to a lumber mill which is now in the process of expanding its activities. Due to its location, this site is not currently regarded by the City as suitable for residential uses. When the City updates its Land Use Element, this issue will be given further review.

As a result of these factors, the potential for additional residential sites are more likely to be found within the City of Lincoln's Sphere of Influence adopted by the Placer County L.A.F.C.O. in December of 1983 (see map). As the need arises for additional residential sites, the City of Lincoln will review areas within its Sphere for their potential as residential areas. Within the primary urban planning area which could be annexed within five years, there are approximately 250 acres in which the predominant use may be residential.

1.5 Zoning

Of the vacant areas noted earlier, the great majority of these are zoned for Residential Planned Development under the City's Planned Development Ordinance. The remaining vacant areas are zoned predominately R-1 Single Family Residential. Table 6E below provides a breakdown of acreage:

TABLE 6E

Vacant Parcels by Zoning

<u>Location</u>	<u>Acres</u>	<u>Zoning</u>
West of O Street	489	Residential P.D.
East of O Street	53	Single Family
	33	Residential P.D.
	6	Business & Professional (Allow for Multiple Family Units)

Further discussion of the City's Zoning may be found in the section pertaining to Land Use Controls.

1.6 Availability of Public Facilities

Water Service and Supply

Water is provided in Lincoln by the Placer County Water Agency (P.C.W.A.) which also serves the other areas in South Placer County. The developed portion of Lincoln is in Placer County Water District No. 1.

Presently, Lincoln receives water from P.C.W.A. through a 14" transmission line from the Sunset Plant Tank at 588 feet elevation. The maximum possible supply through P.C.W.A.'s existing facilities is roughly 3,000-3,500 gpm. The line from the City's storage tank to the distribution system consists of a 20" line feeding into a 14" line at the Auburn Ravine at the east end of town. In January 1982 the City of Lincoln prepared a report outlining recommended water supply improvements. The report contained recommendations to increase the available storage capacity and to construct a looped supply transmission system. In 1985 the City completed the construction of a new 1.5 million gallon water storage tank.

The City's report also recommends construction of a new transmission line beginning at Placer Boulevard and proceeding north along Industrial Boulevard and Highway 65 to the City of Lincoln. This installation would complete an alternate source of supply.

Using various line size alternatives and the installation of a parallel 14" line to the existing 14" line, the report projected several flow and population service scenarios. The following Table 6F summarizes those alternatives:

TABLE 6F

Water Service Alternatives

<u>Transmission System</u>	<u>Flow (gpm)</u>	<u>Population (ERP)</u>
Existing Only	3,000-3,500	-
Existing - Parallel 14"	7,200	-
Existing - 16" Highway 65	11,350	18,000
Existing - Parallel 14" 16" Highway 65	12,350	19,600
Existing - 18" Highway 65	13,200	21,000
Existing - Parallel 14" 18" Highway 65	14,200	22,600
Existing - 20" Highway 65	15,400	24,400
Existing - Parallel 14" 20" Highway 65	16,400	26,000

The City of Lincoln has currently selected to pursue the alternative of constructing a parallel 14" line and 18" line along Highway 65. This alternative would serve an equivalent residential population of 22,600. The City has recently adopted water connection fees designed establishing funding for these improvements.

In addition to the above improvements, the City of Lincoln has also undertaken the development of its own municipal water system through the development of a municipal well system. Currently, the City owns and operates two wells which supply water to the Lincoln Airport and areas west of O Street. The City has developed this system to provide a back-up source of water and to supply water to the new developments.

Sewer System

In 1983 the City of Lincoln expanded its Waste-water Treatment Plant from 0.52 million gallons per day (mgd) to 0.80 mgd which would permit an equivalent population level of 7,200. Beyond this, in a 1981 Study the City has identified a series of improvements which would involve the construction of a new treatment plant on a new site ultimately allowing for a City population of 21,800. During 1986 this Study will be re-evaluated and updated to reflect current conditions and long term needs. As with the water system, the City has adopted sewer connection fees designed to aid in the funding of such improvements.

Schools

The City is within the Western Placer Unified School District whose headquarters are in Lincoln. There are two elementary schools, one junior high school, and one high school within the City which serve incorporated and unincorporated residents.

The existing facilities are currently at capacity in some of the grade levels and nearing capacity in others. The current and maximum enrollment at each facility is shown in Table 7A below:

TABLE 7A

Western Placer Unified School District
Enrollment Data*
(Lincoln Schools Only)

<u>School</u>	<u>Current Enrollment</u>	<u>Maximum Enrollment</u>	<u>Percent</u>
Carlin Coppin Elementary	612	600	102
Glen Edwards Elementary	577	420	133
Glen Edwards Intermediate	324	420	77
Lincoln High School	690	756	91
Total	2,203	2,196	

* Source: Western Placer Unified School District, 1/10/86

Currently, schools which are at capacity have room to accommodate their students in temporary classrooms and have been doing so. The City is presently collecting a School Impact Fee which is used to acquire the needed temporary classroom space. The City of Lincoln, along with the Lincoln Redevelopment Agency, is currently working with the School District to develop a new school and joint use facility. The School District has qualified for State funding to construct a new school and is working with the City to acquire the land needed for the new school site. The City and Redevelopment Agency are reviewing the development of facilities which could be jointly used by both the public and School District. In addition, the City of Lincoln has required, in the approval of another large development, that a second school site be reserved to accommodate the construction of another school. Clearly, additional schools will be necessary as the City grows and the cost of developing these facilities may be borne in part by newly constructed dwelling units. Beyond the current School Impact Fees, it is difficult to anticipate the degree to which housing may be affected.

J. Government Constraints

1.1 Land Use Controls

Land use in Lincoln is regulated by the General Plan and the Zoning Code. The General Plan Land Use Element was adopted in 1976 and is scheduled for revision during 1986. Residential development is currently controlled through conventional land use designations. The zones and their general uses are as shown in Table 8A below:

TABLE 8A

Residential Land Use Zones

<u>Zone</u>	<u>Allowed Use</u>
R-1	Single Family Detached, 6,500 square feet minimum lot size
R-2	Duplex, 6,500 square feet minimum lot size
R-3	Multiple Family Dwellings, 8,500 square feet minimum lot size
R-E	Rural Estates, 2.5 acre minimum lot size
RPD	Residential Planned Development

The great majority of vacant residential land is zoned Residential Planned Development (RPD). This allows for flexibility in design and property development standards which will accommodate variable lot sizes, setback requirements, and street standards.

The conventional residential zones (R-1, R-2, R-3, and R-E) are limited to the smaller vacant parcels within the old City street grid. Approximately 65 acres exists in these zones. As noted earlier, most of these were subdivided long ago and development under the more flexible RPD Zone is not possible without aggregation of these lots.

The zoning is also implemented through the Subdivision Code which is guided by the Subdivision Map Act.

The City standards currently require a two car garage and minimum floor area of 1,200 square feet in the conventional R-1 Zone. Such minimum standards may be altered in the City's Planned Unit Development Districts.

On-Site Constraints

Lincoln's Zoning Code sets forth the basic restrictions regarding the placement of housing and other structures on residential land. Currently, setback requirements call for a minimum of 25' for front yards, 5' for side yards on interior lots, 10' for side street yards on corner lots, and a minimum of 10' for rear yard setback. In the area of maximum lot coverage, the City's Single Family District permits coverage up to 40% of the lot area with lots a minimum of 6,500 square feet. This permits at least 2,600 square feet of single story building area. In the Multiple Family Districts, lot coverage up to 60% is permitted.

These standards have been determined by the City to establish the minimum constraints as is practicable in view of the need to provide for adequate separation of buildings for fire protection purposes, air, and light between structures, and the intensity of development. To date, these standards have resulted in a serious constraint in providing housing to the various income levels.

As noted earlier, much of the City's vacant residential land is located in the Residential Planned Unit Development District which permits the City greater flexibility in establishing such requirements as setbacks. The existing land use controls are not a constraint to developing housing.

1.2 Building Codes and Enforcement

Lincoln uses the 1982 Uniform Building Code as the standard for building construction. Code Enforcement is limited primarily to new construction and remodeling through the permit procedure, however, Code Enforcement in older units occurs in response to complaints to the City.

Currently there is no rehabilitation program to assist in mitigating Code violations, however, the City has included rehabilitation funds in the Community Development Block Grant Application and will use tax increment proceeds from the Redevelopment Plan for rehabilitation.

1.3 Site Improvements

Lincoln currently requires site improvements for all residential developments according to street section standards set forth in the Subdivision Ordinance. The street right-of-way standard is a minimum of 56 feet in conventional residential areas and this is wider than found in most communities in the Sacramento Region. However, flexible street standards including reduction of right-of-way is provided for in the Planned Development Zone. The City has approved reduced street right-of-ways in recent projects within this Zone District.

Lincoln's improvement standards currently call for the provisions of curb, gutter, and sidewalk in all new residential development. As with all site improvements, there is a cost associated with the installation of curbing which is passed on to the cost of the land. Currently, the cost of installing such curbing may run approximately \$525 for each lot developed. This cost is not viewed as a significant constraint to the development of housing, particularly in view of the important role that curbing plays in the overall maintenance of streets and the removal of storm waters from housing projects. In the older sections of the City where the town is already subdivided but without curb and gutter improvements, property vacant or improved which is transferred is required by Ordinance to install curb and gutter. This program was established by the City in view of the importance of curb and gutter in the long term maintenance of streets and the removal of storm water.

There are no other unusual site improvement standards imposed by the City.

1.4 Fees and Exactions

The financing of public facilities and services for new development in Lincoln, as in most California jurisdictions, is funded in part by exactions and fees levied against development projects in proportion to the anticipated fiscal impact on the community. In many instances, the fees are determined on the basis of a proportional share of revenue necessary to retire a bond which provided the initial funding for the facility. In this sense, they are fixed overhead costs that cannot be reduced by policy. Furthermore, the fees are often levied by a special district that has responsibility only for providing a single service such as sewer, water, or drainage. Although these fees have a very significant and direct effect on the price of housing, the district is concerned only with providing the service for which they are responsible. In such instances the local jurisdiction charged with housing will have no control over this aspect of housing prices.

In Lincoln, residential developers are liable for the following fees and exactions:

TABLE 8B

Residential Development Fees
Collected by the City of Lincoln

<u>Water Connection Fee</u>	
<u>3/4" Meter</u>	\$2,084.75
<u>Water Meter</u>	
<u>3/4" Line</u>	\$ 121.00
<u>Sewer Connection Fee</u>	
<u>3/4" Line</u>	\$2,210.00
<u>Park Fee</u>	
Single Family	\$ 261.00
Duplex	224.75 Per Unit
Triplex	203.00 Per Unit
Fourplex	203.00 Per Unit
Apartments, Condo's	130.50 Per Unit
<u>School Impact Fee</u>	
Single Family	\$ 720.00
Duplex	360.00 Per Unit
Multiple Units	260.00 Per Unit
Mobile Homes	450.00
<u>Traffic Impact Fee</u>	
Single Family	\$ 300.00
Apartments	240.00 Per Unit

It should be noted that Lincoln uses sliding fee schedules related to the type of unit (and thus presumed level of facility use) for all services except sewer connection. Therefore, the total cost of fees and exactions will vary depending on the type of unit; there is no single fee for development.

Comparative studies of fees charged in other jurisdictions in Placer and Sacramento¹² County indicate that Lincoln charges relatively modest fees and does not have a fee for drainage impacts, fire protection standby, or any other development impact fees such as are becoming more common in post-Proposition 13 California jurisdictions as shown in Table 8C below:

¹² Based upon a 1,400 square foot single family detached unit, three bedrooms, two baths, 450 square foot garage.

TABLE 8C

Comparison of Building Permit Fees

	<u>Lincoln</u>	<u>Loomis</u>	<u>Rocklin</u>	<u>Roseville</u>
Building Permit	\$ 304.00	\$ 316.78	\$ 364.00	\$ 382.00
Sewer Connection	2,210.00	2,510.00	2,510.00	100.00
Water Connection	2,084.75	1,725.00	1,725.00	300.00
School Impact Fee	720.00	1,161.00	3,965.00	2,300.00
Park Tax	261.00	565.00	N/A	432.00
Plan Check	197.60	88.00	236.60	191.00
Plumbing	26.00	70.40	N/A	N/A
Water Meter	121.00	N/A	N/A	N/A
Electrical	26.00	70.40	N/A	N/A
Mechanical	N/A	70.40	N/A	N/A
Occupancy Permit	157.50	N/A	N/A	N/A
Traffic Signal	N/A	N/A	271.78	N/A
Construction	N/A	N/A	806.13	N/A
Regional Sewer	N/A	N/A	N/A	2,100.00
Traffic Mitigation	300.00	N/A	987.32	826.70
Sewer Enlargement	N/A	N/A	N/A	500.00
Property				
Development Tax	N/A	527.70	N/A	N/A
Miscellaneous	69.50	34.93	148.77	519.14
Total	\$6,477.35	\$7,139.61	\$11,014.60	\$7,650.84

* Source: Business Journal, September 23, 1985.

1.5 Local Government Processing

Lincoln processes complex applications (those involving General Plan Amendments, Rezoning, Subdivision and Environmental Review) concurrently whenever possible. All applications are processed in adherence with the California permitting requirements. Currently, applications for residential subdivisions are processed within a four to six month period. Processing time is largely determined by the availability of staff time and rapid growth may tend to slow up processing time in view of the City's current funding constraints.

The City presently encourages developers to utilize Master Environmental Impact Reports in conjunction with Planned Unit Developments in order to expedite the processing of individual Development Plans.

One area of the permitting process which tended to slow the processing of certain applications is found in the Variance Procedures. In 1984, the City of Lincoln amended its Zoning Code to provide for an administrative review of Variance requests involving a 25% or less deviation from the standard. This aided in reducing both the processing fee and time involved in considering such applications. This was designed to help the remodeling and expansion of older City dwelling units which may be unable to meet the City's new standards.

K. Non-Governmental Constraints

1.1 Availability of Financing

Financing for housing development in general is inexorably an issue outside the influence of local government. Lending institutions operating in Placer County maintain branches in the City, but as with all other mortgage finance organizations, the interest rates they offer have recently prohibited financing housing at prices affordable to low income households.

Financing problems have been viewed as the major factor in the present housing crisis. The lack of adequate amounts of financing at reasonable rates has eliminated a major segment of the population from securing financing. Whether interest rates will remain stable, continue to decline, or increase is uncertain.

The magnitude of this problem is underscored by the prevalence of housing financed through Farmers Home Administration Programs in the past decade in Lincoln. In an effort to improve this situation, the City, in 1985, put together a \$12 million Mortgage Bond Program for single family, first time home buyers. Under this program the developers participating in the program are able to offer a 30-year fixed rate mortgage of 9.95%.

1.2 Price of Land

Land prices in Lincoln are generally lower than similar properties in the Sacramento and South Placer Region as evidenced in the summary of land sales prepared quarterly by the Placer County Board of Realtors and the Sacramento County Board of Realtors Multiple Listing Services. Prices are, however, the relative isolation of Lincoln from the regional housing market and the relative lack of employment opportunities must be recognized as significant factors.

Currently, residentially zoned¹³ vacant land may generally go for between \$19,000 and \$24,000 an acre depending upon the size and location of the parcel involved.

As the community and South Placer Region develops and provides more employment opportunities, it is assumed that the price of raw land will become more comparable to the price structure of the total region.

1.3 Cost of Construction

Lincoln is generally free of the lava cap and granite outcropping found in much of the South Placer Area. Generally, there are no unusual development costs. However, much of the soil is heavy clay which is very plastic and may result in a shorter than normal building season because it is necessary for the soil to dry before construction can begin. In addition, some areas are relatively low lying and require special consideration to ensure proper drainage when developed.

On an average, the cost of construction will range from \$7,500 - \$8,000 per unit. This figure represents the cost of constructing the necessary infrastructure for each unit and does not represent the cost of housing construction. The cost for housing construction is assumed to be similar to that found throughout the South Placer and Sacramento Region.

L. Opportunities for Energy Conservation

The opportunities for energy conservation stem primarily from the fact that most of the future residential development will occur on land that is not constrained by existing roads and infrastructure. Therefore, energy conservation can be achieved through:

1. Site development planning to reduce the need for vehicular trips by providing pedestrian access to commercial and recreational facilities, by providing mixed use development, and by providing for higher densities that would make public transit economically feasible. Lincoln has adopted the South Placer Policy Plan which sets forth development guidelines to achieve these objectives. Furthermore, Lincoln has initiated a local bus service which can take advantage of the development patterns in the new development areas.

¹³Based upon recent sales transactions in the City.

Source: Placer County Assessor's Office.

2. The flexibility provided within the City's Planned Unit Development District also offers an opportunity to design residential projects to allow for maximum opportunities in home active and passive solar systems. The recently approved Lincoln AirCenter and Joiner Ranch Projects within Planned Unit Development Districts, designed in the review process to allow for over 70% of the units to have a north/south orientation. In addition, the Planned Unit Development District may allow for lesser street standards which, during the summer months, can reduce the amount of heat retained in the micro-environments of residential areas.
3. The City of Lincoln, in 1982, adopted an ordinance establishing the Lincoln Solar and Conservation Utility in order to improve the economic feasibility of solar energy use by facilitating the leasing of solar energy devices.

M. Policies

The following policies adopted by the City in conjunction with the Housing Element are designed to guide future decision making and provide a framework around which the housing actions/programs will operate. These policies are designed to reflect current City priorities at the time this Element was adopted. In view of this, these policies and the action programs which follow should be reviewed periodically and modified as necessary to meet changes within the community.

City Wide Housing Policies

1. The City will work towards the provision of safe, decent, and affordable housing within a satisfying environment in sufficient quantities for all economic segments of the community.
2. The City of Lincoln will utilize the resources and authorities available to it to assist in the planning of housing affordable to all income categories and which will be available in sufficient numbers and in a timely manner to meet the needs of the work force permitted by the City in order to maintain a balance between jobs and housing over time.
3. The City of Lincoln will assist in ensuring that all laws and regulations prohibiting discrimination in lending practices and the sales and rental of homes are enforced.

Needs Identification

1. In order to pursue a more balanced community between low and moderate income housing developed within Lincoln, the City will continue to utilize a Housing Monitoring Program to track residential development by housing price, type, and availability to various income levels.
2. The City shall encourage and assist the development of housing designed to meet its fair share allocations as identified by the Sacramento Area Council of Governments and adopted in the Housing Element.
3. The City of Lincoln shall continue to participate in the South Placer Policy Committee's Monitoring Program in order to track the balance of new job growth and housing produced each year.
4. In working within the South Placer Policy Committee, the City will continue to evaluate housing programs and policies recommended by the Committee and promote those most appropriate to the City of Lincoln.

Current and Projected Needs

1. The City will continue to make use of available federal and state housing programs designed to provide low and moderate income housing when such programs are found to be appropriate in order to maintain a balance of housing types within Lincoln.
2. The City of Lincoln will work to accommodate the housing needs of its current and future residents by providing a range of ownership and rental units affordable to all income groups.
3. The City will encourage the construction of both owner occupied and rental housing units to maintain an acceptable vacancy rate within both housing types through the provision of adequate zoning.
4. The City will seek to provide the elderly and handicapped households with housing assistance for rehabilitation of existing units through government programs for both owner occupied and rental properties.

5. The City will encourage and facilitate the expansion of existing residences to help meet the housing needs of low income large families.
6. The City will continue to enforce Building Code Requirements and Zoning Requirements in order to maintain and improve its housing supply.
7. The City will continue to pursue available state and federal programs designed to rehabilitate and preserve its existing housing stock.
8. The City will encourage and assist the maintenance and rehabilitation of its existing low and moderate income housing stock.

Land Inventory

1. In order to provide an adequate supply of land zoned for residential development, the City will plan for and zone land that will equal 120% of its five year projected needs.
2. The City will undertake a review of its recently adopted Sphere of Influence to identify potential residential areas within the next five year period.
3. The City will continue to provide a sufficient amount of land zoned Residential Planned Development to allow for a mixture of moderate and high densities in order to permit development of both ownership and rental housing.
4. The City shall continue to take actions to provide those public services which are necessary to continued development.
5. The City will continue to work with the Lincoln Redevelopment Agency in locating potential areas for housing rehabilitation and preservation.

Government Constraints

1. Where feasible, the City will continue to allow projects to be processed concurrently rather than in a consecutive manner.
2. The City of Lincoln will continue to utilize its Planned Development Zoning District to pursue flexibility in the design of residential projects to aid in the reduction of the cost of housing.

Non-Governmental Constraints

1. In cooperation with the Lincoln Redevelopment Agency, the City will identify alternative financing programs which can aid in providing financing at reasonable rates to home buyers.
2. The City will continue to utilize the Mortgage Revenue Bond Program, when feasible, to promote the acquisition of homes for first time home buyers.

Opportunities for Energy Conservation

1. The City will continue to utilize its Planned Unit Development Districts to encourage the design and siting of residential projects to facilitate energy efficiency and access to solar energy.
2. The City will continue to pursue programs such as the Lincoln Solar and Conservation Utility to provide community residents with opportunities to conserve energy.

N. Housing Programs

In order to implement the policies listed in the previous section and to move the City towards its goals, the City of Lincoln will continue to implement or intends to implement the following housing programs:

1.1 Balance of Housing Types

Objective: To provide for a balance of housing types within the community between low and moderate income housing as identified in the City's fair share allocation by S.A.C.O.G. and as adopted by the Housing Element.

Program: In order to establish a balanced community in terms of housing, the City of Lincoln will continue a Monitoring Program which will track the type of residential units being constructed in the City and the income levels being served by those developments.

In conjunction with a Monitoring Program, the City will implement a program to review proposed housing projects at the application stage and determine at this level whether or not a particular housing project would result in further imbalances in the City's housing objectives. This Monitoring Program will be geared towards an analysis of all residential projects approved and/or constructed within the City by unit type, number of units, approved sales prices, and rental rates.

The City's Planning Department, utilizing the information obtained in this Monitoring Program, will submit a six month report of housing needs to the Planning Commission and City Council which outlines:

- (a) The City's present status in meeting the target number of units specified in the Housing Element.
- (b) The number of units developed in each price range and the income levels affected and the project's location.
- (c) The number of units approved in each price range and the income levels affected and the project's location.
- (d) Identify areas of shortfall and which income levels needed to be targeted in order to establish a balance of housing types.

The Planning Commission would approve, amend, or disapprove the report prior to its review by the City Council and the City Council would adopt, by resolution, the bi-annual report to serve as a guide for the review and action on proposed residential development within the City of Lincoln.

By utilizing such a Program, the City of Lincoln would be able to track housing development on a continuous basis progressing towards a balance of housing types.

Responsible Agency: The City's Planning Department will be responsible for the development of the semi-annual report.

Implementation Schedule: The Program will be on-going.

1.2 Jobs Housing Balance

Objective: To develop a balance of housing stock which will provide a range of housing types and prices in relation to jobs created within the community.

Program: The City of Lincoln, in conjunction with the surrounding jurisdictions of Placer County, Roseville and Rocklin, have formed the South Placer Policy Committee in an effort to coordinate the long term development of the South Placer Region. The Policy Committee, while it has no authority over local jurisdiction decisions, has served as a forum for discussing, on a regional basis, the major issues of development including land use, transportation systems, public facilities, local jurisdiction coordination, and the issue of housing.

The housing issue, as it has been dealt with by the Committee, has focused on housing as it relates to the creation of new industrial jobs within the South Placer Area. It is the objective of the local jurisdictions involved with the Policy Committee to cumulatively plan for and facilitate the development of a housing stock that will provide a choice of housing types and prices required by the employees of new industrial development.

In an effort to insure that a jobs housing balance occurs as development progresses in South Placer, the Policy Committee has recommended, and the City of Lincoln along with its other member jurisdictions, have adopted a Regional Monitoring Program of both jobs created and housing constructed. In order to track the jobs housing balance, a semi-annual report will detail such items as residential projects in progress, residential permits issued, commercial and industrial projects in progress, and employment projections among other items. The establishment of this Monitoring Program will be coordinated with the Monitoring Program recommended above such that not only will the City of Lincoln be tracking housing developments within its own boundaries but also for the surrounding region. This approach to tracking residential development would support the City of Lincoln's efforts in establishing a balance of housing types within its jurisdiction.

The objective of a balanced community would also be consistent with recommendations of the South Placer Policy Committee. In maintaining a balance between jobs and housing, Policy 4.7 of the South Placer Policy Plan states in part that housing needed to maintain a balance of jobs and housing in the region should not be concentrated disproportionately in any single jurisdiction. The Monitoring Program will include a tracking of the inventory of vacant land, residential projects in progress, residential building permits issued and finalized, a vacancy survey, home sales survey, and data similar to that developed in the above Monitoring Program.

Responsible Agency: The City of Lincoln in cooperation with the member jurisdictions of the South Placer Policy Committee.

Implementation Schedule: Currently operating.

Program: The City of Lincoln will require that Environmental Impact Reports for all industrial projects shall include an estimate of the number and type of employees to be hired at each phase of the project. Such E.I.R.'s will also address the availability of land and/or housing opportunities within a reasonable commute distance of the project for the employees expected to be hired.

Responsible Agency: The City of Lincoln Planning Department.

Implementation Schedule: Currently operating.

1.3 Identification of Adequate Sites

Objective: Provide adequate sites in terms of location, area, and density to accommodate low and moderate income housing production for a projected need of 973 units between 1983 and 1990.

Program: The City of Lincoln has recently amended its General Plan Land Use Element to convert 209 acres from an industrial use to a residential land use classification providing for an additional 1,885 units and has approved the Joiner Ranch Project which will provide another 1,756 units. During the next General Plan Update, the City of Lincoln will continue to explore the feasibility of additional reclassifications to provide for new residential sites.

By insuring an adequate supply of land at various density levels, this program will help to hold down the cost of land. These savings in land costs can be passed onto homeowners helping the City to achieve its goal of providing affordable housing. Zoning for residential units currently will supply over 4,000 units; far in excess of the projected need through 1991 of 973 units.

Responsible Agency: City of Lincoln.

Units Affected: Zoning to accommodate 2,133 new units existed prior to the approval of the Land Use Element Revision. As a result of this amendment and rezoning in February of 1983, an additional 1,885 dwelling units were provided. This currently allows for a total of 4,018 new dwelling units which may be accommodated in the City.

Implementation Schedule: Program on-going.

Program: Review and designate future annexation areas in the City's Sphere of Influence.

Responsible Agency: Lincoln Planning Department and the Placer County L.A.F.C.O.

Units Affected: Approximately 250 acres within the designated primary planning area (the area which may be annexed within five years) would be for residential use. At an average density of six units per acre, the annexation area could accommodate 1,500 units.

Implementation Schedule: The Lincoln Sphere of Influence was adopted in December 1982 following a nine month study. Annual review by the Lincoln Planning Department will evaluate the need for future annexation to meet projected housing need.

1.4 Assist Low and Moderate Income Housing

Objective: Assist low and moderate income housing development.

Program: The City of Lincoln's Redevelopment Agency should establish a Redevelopment Housing Opportunity Advisory Board. The Redevelopment Agency will consider the selection of a standing Advisory Board comprised of citizens representative of all economic groups to make recommendations to the Redevelopment Agency on the use of tax increment financing targeted for new housing opportunities.

Should it be determined by the Redevelopment Agency that other programs are not adequate to supply needed housing for low and moderate income households, the Agency can structure programs to aid in the supply and restoration of housing for low and moderate income families. By establishing an Advisory Board, the Redevelopment Agency will be kept abreast of current housing needs.

Responsible Agency: Lincoln Redevelopment Agency.

Units Affected: Funding for housing may equal at least 20% of the total tax increment. The dollar amount available for housing development has not been estimated. The Plan was recently implemented and projects approximately \$1 million to be used for new housing opportunities.

Implementation Schedule: The Redevelopment Agency Board will review the need for a Citizen Advisory Board on an annual basis.

Program: The City of Lincoln will consider the use of Development Agreements to induce the production of low income units in specific development proposals on a voluntary basis when the production of low income housing has fallen below the projected rate of low income units needed (the projected rate is the average number of units required per year to achieve the overall needs projected for the 1983-90 period). Development Agreements may be used to help in the production of needed housing units in the form of negotiated provisions. Since Development Agreements are an attractive entitlement to most developers in that they ensure that the zoning for development will be in place for long periods of time, the City of Lincoln may wish to require during the negotiation of such agreements that a developer agree to the provision of specific types of housing depending upon what the City's needs are at the time.

Responsible Agency: City of Lincoln.

Units Affected: The projected need for low income housing in the period 1983-90 is 404 dwelling units. The number of units affected by this Program will depend on the continued production of low income housing and thus, the potential effectiveness is not predictable.

Implementation Schedule: An Ordinance providing for the use of Development Agreements is currently in place. The City will need to review and adopt specific guidelines for conditions under which Development Agreements may be used in order to achieve the above objectives. The guidelines will be developed during the next 12 months by City staff and submitted for approval by the City Council.

Program: The City of Lincoln will continue to administer its Certificate of Compatibility Ordinance implementing Senate Bill 1960 permitting mobile homes to be located on existing single family lots within the City.

Responsible Agency: City of Lincoln Planning Commission.

Implementation Schedule: Currently operating.

Program: The City of Lincoln will continue to use state and federal programs such as Community Development Block Grant Funds when determined necessary to provide low income housing opportunities.

Responsible Agency: The City of Lincoln and the Lincoln Redevelopment Agency.

Implementation Schedule: Annual application.

1.5 Governmental Constraints

Objective: Reduce the time required to secure development approvals and stabilize permit fees.

Program: The City will continue to utilize its Administrative Variance Procedures to allow non-controversial proposals to be processed without Planning Commission hearings. The purpose of this process is to reduce both the fees required for such Variances and the time in processing applications since both items affect the cost of housing. By streamlining this permit process, the City will be able to hold down administrative costs which are passed onto the cost of housing.

Responsible Agency: City of Lincoln Planning Department.

Implementation Schedule: The Ordinance adopted by the City is currently being utilized.

Program: Review fee schedule annually to determine the adequacy of current fees relative to actual cost.

Responsible Agency: City staff review and recommendation to City Council.

Units Affected: All units built after an adjustment in schedules are affected. This will vary from year to year but will affect an average of 200+ units annually.

Program: Require developers to utilize Master Environmental Impact Report Procedures on large development projects. The use of a Master E.I.R. allows subsequent approvals of elements of the large development to be processed without individual E.I.R.'s. By utilizing Master E.I.R.'s the cost of processing applications for housing projects by developers will be significantly reduced. This will mean a savings to development both in terms of actual fees paid and in the length of time needed to process a project. This will result in a reduction of costs which are typically passed onto the cost of the housing.

Responsible Agency: City of Lincoln Planning Department.

Units Affected: Approximately 3,500 dwelling units allowed in the current zoning within the current City boundary could be affected by this Program.

Implementation Schedule: A Master E.I.R. has been required in the approval process for two major development areas (Lincoln AirCenter and Joiner Ranch) which will accommodate all residential demand within the time frame of this Housing Element. All subsequent project proposals will also meet this Program requirement as they are processed.

1.6 Conserve and Improve Affordable Housing

Objective: Rehabilitate the units identified in the 1983 windshield survey as deteriorated or sub-standard at a rate of 20 units per year.

Program: The Lincoln Redevelopment Agency's Plan will include funding for rehabilitation of existing low and moderate income housing.

Responsible Agency: City of Lincoln Redevelopment Agency.

Implementation Schedule: The Lincoln Redevelopment Plan is in place. The flow of increment funding will determine the schedule for housing rehabilitation. Each year the Redevelopment Agency will review the amount of funding available and its list of projects to determine what programs can be made available to rehabilitate housing.

Program: The City will continue to pursue Community Development Block Grant Funds for housing rehabilitation. It is anticipated that the Program will reach an equivalent percentage of owner occupied units and rental units as was reflected in the City's Housing Conditions Survey.

Responsible Agency: City of Lincoln.

Units Affected: An average of 15 units should be included in each subsequent application.

Implementation Schedule: The Community Development Block Grant Application will be submitted annually depending upon project's competing for funding. The amount of money applied for to rehabilitate units may vary.

Objective: Ensure that housing classified as unkept in the 1983 windshield survey does not deteriorate further.

Program: Conduct annual windshield survey to monitor housing condition.

Responsible Agency: City of Lincoln Planning Department.

1.7 Non-Discrimination in Lending Sales and Rental Practices

Objective: To ensure that laws and regulations prohibiting discrimination in lending practices and the sale and rental of homes are followed.

Program: The City of Lincoln will prepare a housing anti-discrimination information memo indicating where advice, assistance, and enforcement activities can be obtained and will provide this memo to all individuals who feel they have been discriminated against in requiring housing within the City of Lincoln. Copies of the memo will be mailed to all real estate companies operating within the City.

Responsible Agency: City of Lincoln Planning Department.

Implementation Schedule: To be completed during 1986.

O. Consistency with General Plan and Community Goals

The Housing Element is intended to be consistent with all other Elements of the General Plan and existing City Policies. In reviewing the Programs and Policies proposed in the Housing Element it was determined that their implementation would be consistent with other General Plan Elements and Community Goals.

If in the actual execution of specific Programs inconsistencies are discovered, it will be necessary to consider modifying either the proposed actions or the Element.

P. Public Participation

The City's Housing Element was developed by City staff with consideration given to the Housing Policies recommended by the South Placer Policy Committee over the past several years. The Policy Committee is a cooperative local regional planning body which was formed under a Joint Powers Agreement between the cities of Lincoln, Roseville, Rocklin, and Placer County to discuss regional planning issues affecting the Cities and County including housing. Many of the Committee's goals and objectives were considered by City staff in developing this Element in an effort to coordinate local efforts in the area of housing.

After completion of the Draft Element, the document was directly mailed to the following agencies and organizations for their comments:

South Placer Policy Committee
Department of Housing & Community Development
Placer County Citizens for Affordable Housing
(Legal Services of Northern California)
Placer County Planning Department
City of Roseville Planning Department
City of Rocklin Planning Department
Sierra Planning Organization
Sacramento Area Council of Governments
Lincoln Redevelopment Agency

In addition to the direct mail-out, copies of the Element were placed in the public library and notices ran in the local newspaper indicating the availability of the Element and requesting public comments. Following this notice, City staff will conduct a series of public workshops on the Housing Element designed to elicit public input. Notices will be placed in the local newspaper and workshops conducted on March 25, 1986, and April 9, 1986.

Environmental Impact Analysis
1986 Housing Element Revision

Introduction

This environmental impact analysis has been prepared under the provisions of the California Environmental Quality Act of 1970 as amended and guidelines developed by the State and those guidelines adopted by the Lincoln City Council to implement the Act. The following analysis has been prepared in conjunction with the preparation of this revision and is, by this reference, made a part of the Housing Element.

Description of Project

(a) Location of Project

The Housing Element covers all lands within the City limits and to some degree addresses limited areas within Lincoln's Sphere of Influence as designated by the Placer County L.A.F.C.O.

(b) Objectives of the Proposed Project

The objectives of the project are to prepare the Housing Element of the Lincoln General Plan to meet the requirements of applicable State law and to enable the City of Lincoln to better plan and implement policies, plans and proposals related to the area of housing. The revision should help to increase public awareness of needs, problems and characteristics of housing in Lincoln as well as help in meeting housing needs. Through the revision, public awareness should also be increased as to the impacts that the type of housing constructed may have on other City areas such as the provision of public services and industrial development.

(c) Characteristics of the Project

This revision of the Housing Element consists of ten major sections. They include the following:

- Identification of Needs
- Land Inventory
- Potential Redevelopment Sites
- Zoning

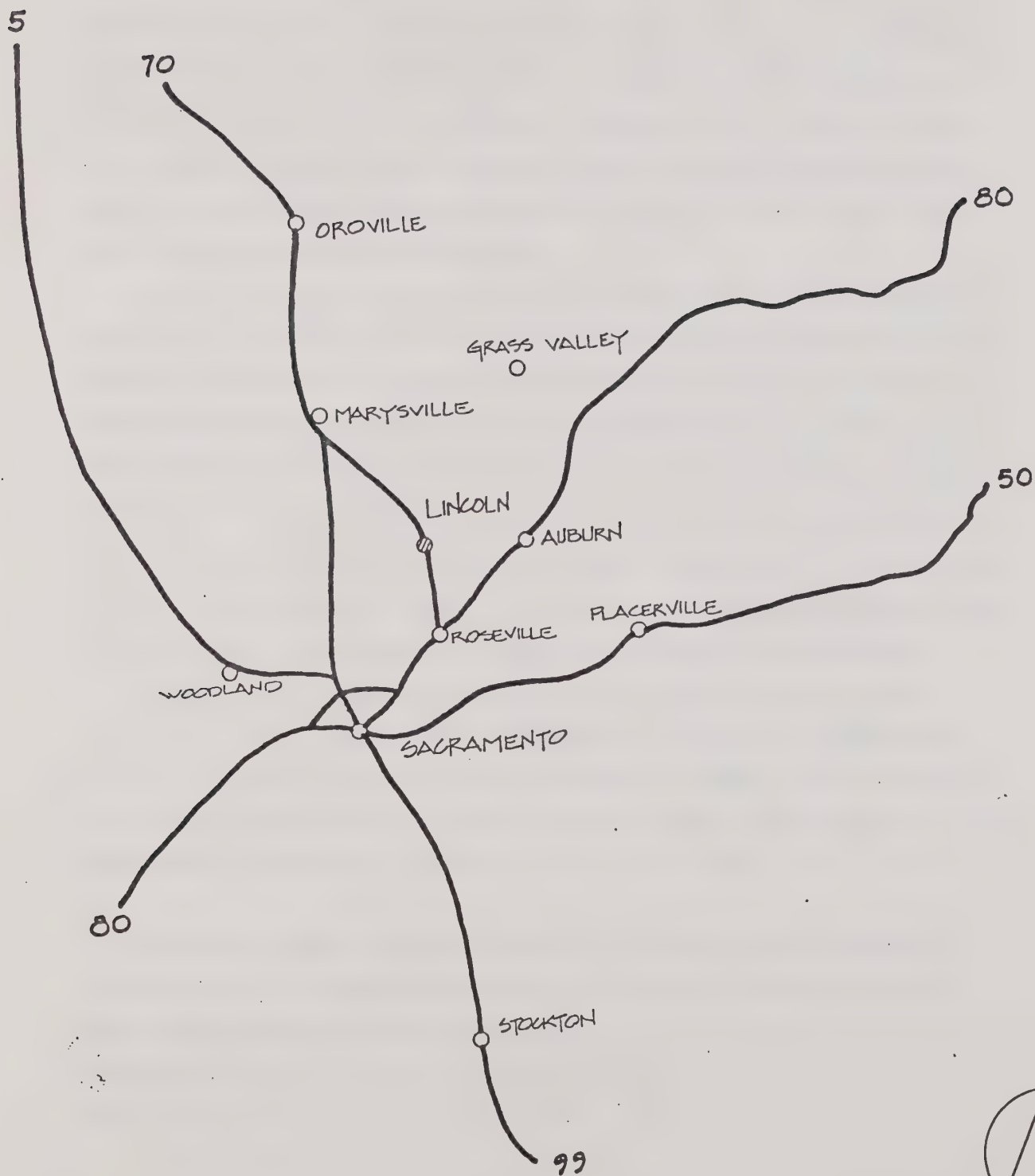
Availability of Public Services
Government Constraints
Non-Government Constraints
Opportunities for Energy Conservation
Policies
Housing Programs

Housing policies which have an environmental importance include the following:

1. The provision of decent, safe and affordable housing within a satisfying environment in sufficient quantities for all economic segments of the community.
2. The development of a balanced community between low and moderate income housing developed within Lincoln.
3. The City's continued participation in the South Placer Policy Committee's regional planning efforts.
4. In order to provide an adequate supply of land zoned for residential development, the City will plan for and zone land that will equal 120% of its five year projected needs.

Environmental Setting

The City of Lincoln is located in the northern portion of the Sacramento Valley and within the southern portion of Placer County, California. The City of Lincoln is approximately 25 miles from the State Capitol and 11 miles from the County seat in Auburn (see Plate 1). The planning area includes the entire City boundaries which extend north to Wise Road, west to the Lincoln Municipal Airport, south to the Auburn Ravine and east to Harrison Avenue. The City of Lincoln is bisected by State Highway 65 and the Southern Pacific Railroad which parallels Highway 65. State Highway 193 intersects State Highway 65 in the downtown core area. The most distinctive physiographic feature of the Lincoln area is the Auburn Ravine which passes along the southern boundary of the City. It provides terminal drainage for the City and supplies water to recharge the ground water basin.



REGIONAL LOCATION

PLATE I

Markham Ravine is an intermittent stream with a slightly incised drainage channel that trends through the City diagonally east to west. Auburn Ravine, and to a lesser degree Markham Ravine, contain large portions of the City's natural vegetation and wildlife. The riparian areas adjacent to Auburn Ravine supports a dense and varied vegetation. Among the species are oaks, cattails, blackberry sedges, cottonwoods and willows. This area also provides a habitat for a variety of wildlife species including small mammals, such as rabbits, squirrels, mice, skunks, lizards and snakes are also to be found in these areas along with a variety of amphibian species.

Along the Ravines large colonies of trees define the meandering flood plain in contrast with the relatively barrier valley floor. The majority of the City is sited on relatively flat terrain with areas in the western portion containing gently undulating grazing land. These vacant areas are dominated by annual grasses and wildflowers. Species typically found in these areas include lupine, wild oat, miners lettuce, brome grass, chickweed and larkspur. The animal life located within these areas are red winged blackbirds, red tailed hawks, killdeer, meadow larks, pheasants and robins. Among the more prevalent mammals found are California ground squirrels, desert cottontail and jackrabbits.

The Lincoln area is situated within the eastern margin of the Sacramento Valley. Most of the landscape is typified by sedimentary deposits that have been dissected by seasonal streams. These deposits are in turn underlain by volcanic flows and other fine to coarse grained sedimentary formations. In general the rocks display a gentle westward dip.

The area geology consists primarily of old alluvial deposits of fluviatile silt and sand with some clay and gravel commonly cemented with low to moderate permeability. The areas immediately adjacent to the two Ravines is a quaternary stream channel deposit consisting of sand, gravel and silt in stream channels and flood plains.

The soils are predominately of the Fiddymont Trigo-Rocklin association. These soils are generally well drained and are developing in granite alluvium and outwash from the Sierra Mountains. They are mostly shallow to claypans or hardpan with medium runoff and a moderate erosion hazard. These soils are not suitable for intensive agricultural uses; their volcanic origin shallowness of clay like lenses cause the growing abilities of the soils to be quite limited.

The soils within the City are not expected to pose significant constraints to potential housing projects.

No active or inactive faults are found in the City or Placer County. In a rating of Maximum Expectable Earthquake Intensity from low to high, Lincoln is within the low intensity severity zone with minor to moderate probable damage in the event of an earthquake.

Historically, seismic activity in the northern Sacramento Valley has been slight in comparison to California. Throughout recorded history, no major movements have occurred. Earthquakes felt locally are from seismic disturbances to the west of the valley and include the San Andreas, Calaveras and Hayward faults. The greatest ground shaking in the Sacramento area occurred on April 21, 1982. The epicenter was between Winters and Vacaville in Yolo County. No fatalities occurred and only minor structural damages resulted from the earthquake.

The geologic setting of Lincoln does not pose a significant risk of seismic hazard. Proper design of the public and private improvements of the City would minimize the likelihood of damage from an earthquake.

Environmental Impact of Proposed Action

The policies and programs of the Housing Element are primarily regulatory or reactive in nature and as such will have an indirect environmental impact. Adverse environmental impacts that may occur as a result of the implementation of policies and programs contained in this revision of the Housing Element include:

(a) Land Use.

The primary impact on land use will be the development of vacant and underutilized land which has been planned for urbanization. This will change the present open character of some areas particularly those in the Lincoln Airpark area. This development would however, in all likelihood, take place without the implementation of this Housing Element. Because these areas have been designated for urbanization in the City's General Plan since 1976 and because many of these parcels have approved development plans, the implementation of the Element's programs and policies are not viewed as resulting in an adverse impact on the environment. These programs are instead reactive in nature and designed to guide such growth as has already been planned for by the City. The City of Lincoln, through the use of Master Environmental Impact Reports for such specific projects as the Joiner Ranch Project and the Lincoln Airpark Project, has addressed the right-of-way requirements for a potential Highway 65 Bypass of Lincoln as well as addressing such issues as land use compatibility and the impact of jobs and housing on transportation needs. Mitigation measures adopted in conjunction with those specific projects will be imposed as development occurs within these areas. Specific design features of the City's north/south parkway regarding access to this facility will be coordinated with Caltrans to attempt to avoid any future conflicts.

(b) Ecology.

Permanent changes in the environment will result from development that has already been planned and that development which may be influenced by the Housing Element's implementation. In areas which are currently vacant, these changes will include the displacement of existing wildlife, the removal and substitution of native plant life and grasses by landscaping and plant life typically associated with urbanization. Such changes may be

particularly detectable in areas adjacent to the Auburn and Markham Ravines where more dense areas of native growth and animal life occur. As site specific applications for housing projects are submitted to the City for review and approval, environmental analysis will be performed (in cases where this has not already been performed in Master E.I.R.'s) as required to determine specific ecological impacts.

(c) Geology.

The geologic setting of Lincoln does not pose a significant risk of seismic hazard. No active or inactive faults are found in the project area or Placer County. Proper design of improvements would minimize the likelihood of damage from an earthquake. Various studies indicate that geologic conditions will not pose significant constraints to future housing development.

(d) Natural Resources.

The increase of population which will be able to reside in Lincoln as a result of increasing the housing supply will result in the additional consumption of various natural resources. This increased use will occur from the construction and operation of housing itself as well as from the normal resource consumption occurring as a result of additional residents in the City.

(e) Public Services.

The development of additional housing units will also increase the level of need for public services to accommodate such growth. These public services include police and fire protection, sanitary sewage treatment, water availability, storm drains as well as education, parks, and recreation. In particular, the City of Lincoln is presently undertaking the expansion of its sewage treatment plant from 0.52 mgd to 0.80 mgd which would allow the City to accommodate the 5 year projected needs identified in the Element. In another area of public services, the Western Placer Unified School District has declared its facilities to be at impact. The City of Lincoln has adopted and imposed school impact fees designed to allow for the accommodation of new students generated by future housing development. The City will continue to impose such fees until other means of mitigating the impacts on schools becomes available.

(f) Noise.

Increased noise levels may occur from the resulting increase in transportation movements that accompany increases in population. The degree of such impacts will largely be determined on a case by case basis as specific site plans for development are presented for City approval. Noise will also result from normal construction and operation activities associated with residential development. These noise impacts may include initial impacts from construction activities on surrounding existing developments. These impacts will be temporary and occur during normal working hours. In addition, vacant land will be impacted in the sense that noises associated with residential neighborhoods will be present (stereos, lawn mowers, air conditioning units, etc.).

(g) Air Quality.

Additional pollutants may further contribute to current air quality problems. Due to its proximity to the greater metropolitan Sacramento area and the prevailing southwesterly winds, the ambient air quality of the Lincoln area is subject to heavy influence from pollutants originating in Sacramento and areas southwest. Contaminants from urban land uses and agricultural burning operations in the valley are transported into the area by these winds. Additional pollutants generated by new residential growth will result mostly from motor vehicle emissions.

(h) Cultural Resources.

Past archaeological record searches have revealed that there are no recorded or known cultural sites within the current City limits. While the entire City area has not been completely surveyed, past surveys conducted on several large development projects have not turned up any evidence of cultural sites. Although no cultural resources have been found to date, the possibility that such resources could exist within the City is recognized and will be planned for. This has taken the form of requiring as a mitigation measure on projects approved by the City that if indications of cultural resources are discovered during construction all work within the immediate vicinity is to be halted and a qualified professional archaeologist called in to assess the find and recommend mitigative action.

In view of the fact that many of the known sites in the region involve the Native American Culture, when sites are discovered, action would be taken to consult with the Regional Native American Commissioner.

In summary, given the broad nature of a General Plan Element, adverse environmental impacts resulting from implementation of the Housing Element will be minimal. In many instances the Housing Element can in fact be used to lessen environmental impacts through its policies and programs which affect land use and zoning regulations.

Policies within the Element that would have a beneficial environmental impact include:

(a) Policies relating to the City's continued participation in the South Placer Policy Committee which was developed to pursue a balance of new jobs and housing within this local region thereby improving air quality and reducing vehicle miles traveled as a result of industrial development.

(b) Policies relating to flexibility in density levels and the design of residential projects which would help reduce the depletion of natural resources including land consumption.

(c) Policies relating to the conservation and rehabilitation of existing housing to reduce the need for new construction and its attendant environmental impacts.

(d) Policies relating to a balance of housing types within the City thereby improving the quality of the City's living environment and its ability to meet public service requirements.

(e) Policies relating to the use of zoning regulations and City programs designed to promote energy efficiency and access to solar energy.

In addition, the environmental impacts of specific proposals resulting directly or indirectly from the implementation of the Housing Element will be addressed in more detail at the tentative map, rezoning, preliminary development plan, or conditional use permit stages as required. None of the environmental impacts of this project are considered significant.

Significant Adverse Environmental Effects Which Cannot Be Avoided

Such adverse effects which cannot be avoided are directly related to future housing development. Such impacts as those previously mentioned include increased traffic, air pollution, use of natural resources including consumption of vacant land, increased public services and some changes in the local environment from essentially vacant land to urbanization. Potential risks which also exist with housing development which may be located near flood plain areas and within the vicinity of the Lincoln Airport. These risks can be mitigated through the enforcement of the City's Flood Hazard Zoning Ordinance and restrictions placed upon residential development within the Airport's vicinity. There are no significant environmental effects which cannot be avoided except the above noted risks (traffic, air, etc.).

Mitigation Measures Proposed to Minimize Significant Impacts

There are no known significant environmental impacts associated with implementation of the Housing Element. However, according to City policies found in this Element, in other aspects of the City's General Plan, and Ordinances and General Development Plans, certain mitigation measures would govern the nature of future housing development and its environmental impacts including:

- (a) The payment of impact fees and other public service fees to provide for the improvement of or introduction of public services including schools, traffic signals, water, and sewer treatment plant expansion.
- (b) Enforcement of resource conserving materials in housing as required by the Uniform Building Code and the use of careful site design to provide for maximum solar access where feasible.
- (c) Enforcement of the City's Ridesharing Ordinance to reduce traffic impacts as well as air quality and noise impacts.
- (d) The use of careful site and building design within the City's planned development district to reduce noise and traffic impacts.
- (e) Conservation of existing ecological conditions particularly trees and other flora where feasible.

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There are no known significant environmental impacts associated with implementation of the Housing Element. However, according to City policies found in this Element, in other aspects of the City's General Plan and Ordinances and General Development Plans, certain mitigation measures would govern the nature of future housing development and its environmental impacts including:

- (a) The payment of impact fees and other public service fees to provide for the improvement of or introduction of public services including schools, traffic signals, water and sewage treatment plant expansion.
- (b) Enforcement of resource conserving materials in housing as required by the Uniform Building Code and the use of careful site design to provide for maximum solar access where feasible.
- (c) Enforcement of the City's Ridesharing Ordinance to reduce traffic impacts as well as air quality and noise impacts.
- (d) The use of careful site and building design within the City's planned development district to reduce noise and traffic impacts.
- (e) Conservation of existing ecological conditions particularly trees and other flora where feasible.
- X (f) The dedication and preservation of open space areas including park land.
- (g) The utilization of master environmental impact reports for the larger tracts of land located within the City's planned development district and implementation of those mitigation measures identified within such reports.
- (h) Conformance to regulations found in the City's Flood Hazard Zoning Ordinance.
- (i) Conformance to regulations found in the Safety, Seismic Safety and Noise Elements of the General Plan.

- (f) The dedication and preservation of open space areas including park land.
- (g) The utilization of master environmental impact reports for the larger tracts of land located within the City's planned development district and implementation of those mitigation measures identified within such reports.
- (h) Conformance to regulations found in the City's Flood Hazard Zoning Ordinance.
- (i) Conformance to regulations found in the Safety, Seismic Safety, and Noise Elements of the General Plan.

Alternatives to Proposed Action

The alternative of "no project" or not revising the Housing Element of the General Plan would be an inadequate response to the housing needs of the people of Lincoln and contrary to State law. The recommendations in this Element could have involved greater or lesser amounts of community resources; however, these were analyzed and determined to be inappropriate.

Relationship Between Local Short Term Uses of the Environment and Long Term Productivity

The proposed revision of the Housing Element is both long term and short term in nature as it focuses on the City's housing needs through 1986. Proposed policies and programs would in their short term implementation seek to bring about or begin long term solutions to housing needs and problems. As short term programs (those proposed through 1986) are implemented, they will be evaluated in relation to their effect on long term goals for Lincoln's housing.

Growth Inducing Impacts

Implementation of the Housing Element will have some indirect growth inducing impacts by encouraging certain types of housing development (i.e., housing directed at the higher income ranges or the preservation of existing low and moderate income housing, etc.) through proposed policies and programs. However, areas that are anticipated to be used for housing development have already been planned for urbanization, growth inducing impacts of the Housing Element would be limited to the extent that other General Plan policies (such as land use) serve to limit growth in their implementation. In addition, some increase in economic growth resulting from residential development are expected to occur.

Conclusion

This environmental analysis is prepared and completed as part of the Housing Element and it is concluded that implementation of the Element would not have a significant effect on the environment. As a result, no mitigation measures other than those noted are required. Where determined applicable by the City, individual policies and programs will undergo environmental review before they are implemented.

APPENDIX A

FARMERS HOME ADMINISTRATION ASSISTANCE PROGRAMS

The Farmers Home Administration, an agency of the U.S. Department of Agriculture, offers a number of programs which provide grants and low-cost loans to improve housing in rural areas. Potential recipients include rural residents, government entities, and both nonprofit and profit-motivated sponsors.

Unlike HUD programs which generally operate through banks and other approved lending institutions, FmHA itself acts as the lender, making loans directly to qualified applicants.

FmHA grants and loans are made only in rural areas -- generally defined as areas with populations under 10,000.

Section 502: Homeownership and Rehabilitation Loans

1. General Description

The 502 program is a direct loan program for individuals or households of low or moderate income to buy, build, repair, renovate, or relocate their homes. The major portion of FmHA's housing assistance is provided under this basic home ownership loan program. The amount loaned may be up to 100% of the loan-to-value ratio, as long as the applicant can meet the monthly payments. The maximum loan term is 33 years.

2. Eligibility and Income Requirements

a) Applicant must have an acceptable credit history b) Applicant must have an adequate and dependable income, necessary so they can make required house payments and also pay other homeowners expenses such as fire insurance, real estate taxes, utilities, and maintenance and still have money left for other debts and family living expenses. c) Family income cannot exceed an adjusted income of \$23,500. Compute adjusted income as follows: Gross family income of all persons over 18, minus 5%, minus \$300 for for each child under 18 living in the home. (Income to be included: wages, child support, unemployment, veterans benefits, social security, annuities, or pensions, grants, etc.) Households with adjusted income under \$18,000 may be eligible for Interest Credit Subsidy, which is a temporary reduction of the borrowers interest on the loan. The interest rates can be as low as 1%. These below-market interest rates are called "interest Credits" Households with incomes \$18,000 and below are reviewed on a case by case basis to determine their ability to meet house payments.

APPENDIX B

HOUSING SURVEY KEY

The following categories were used in the windshield survey conducted by the City Staff. All housing units rated accordingly.

Sound Housing is that housing which has no defects or only slight defects which are normally corrected during the course of regular maintenance.

Unkept housing is that housing which has slight defects in appearance and structure which should have been corrected in the course of normal maintenance, but have gone unattended. The lack of maintenance and proper care could eventually lead the structure into the Deteriorated classification.

Deteriorated Housing is that housing which needs more repair than would be provided in the course of regular maintenance. It has one or more defects of an intermediate nature that must be corrected if the unit is to continue to provide safe and adequate shelter.

Dilapidated Housing is that housing that does not provide safe and adequate shelter. It has one or more critical defects, or has a combination of intermediate defects in sufficient number to require extensive repair and rebuilding, or is of inadequate original construction.

Unrehabitable Housing is that housing in which the cost to rehabilitate the unit to a safe, decent, and sanitary level would exceed 50% of the 'as is' market value of the dwelling.

Housing units in the Sound and Unkept classifications were considered standard housing units. Housing units in a Deteriorated, Dilapidated, and Unrehabitable classification were considered substandard units.

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Housing units in the Sound and Unkept classifications were considered standard housing units. Housing units in a Deteriorated, Dilapidated, and Unrehabitable classification were considered substandard units.

Loan Amounts, Terms, Closing Costs

The amount loaned can be up to 100% of the appraised value and must be within borrower's repayment ability. The following is an example of payments for both Interest Credit Subsidized loans and loans at the note rate of 11½% (11.5).

<u>LOAN AMOUNT</u>	<u>1% INTEREST RATE</u>	<u>11½% INTEREST RATE</u>
\$40,000	\$119	\$393
\$45,000	\$134	\$442
\$50,000	\$149	\$491

House payments do not include a reserve account, so payment of real estate taxes and property insurance is the responsibility of the borrower. Closing costs are normally about \$400, paid for by the seller or contractor. The applicant is required to have one full year of prepaid fire insurance at the time of loan closing and must pay for a credit report.

On the most recent 502 housing under construction in Lincoln, the cost of a unit varies from \$50,800 to \$54,700 with an average price of \$53,140. Monthly housepayments are within a \$200 - \$462 range.

Protection Affordability:

The units which have been purchased, built, rehabilitated, or otherwise assisted through this program are not deed-restricted as a requirement of FmHA. However, low-income borrowers who receive "interest credits" must repay FmHA for a portion of the subsidy which they received if the home is sold within certain periods of time. The funds which are returned to FmHA go into the insurance fund for re-lending. This repayment provision is known as "recapture", and is a system of providing an incentive to the owner to remain longer as an occupant, as well as a means of limiting resale profits.

Section 515: Rural Rental Housing Construction and Substantial Rehabilitation Program.

1. General Description

Section 515 provides direct loans from FmHA to public and private limited profit and nonprofit sponsors for the construction or substantial rehabilitation of rental and cooperative housing for low- and moderate-income households, and elderly persons. The program can also be used for congregate housing. The interest rate (or amount of interest credits) on the loans varies between 1% and market rate, depending on the sponsor and the projected income of the tenants. Loan terms are fifty years.

2. Program Specifics

Eligibility: Low- and moderate-income households and the elderly are eligible tenants.

- x. Protection of Affordability: Low-income tenants with Section 8 or FmHA rental assistance certificates are protected from rent increases because they pay no more than 25% of their income for rent. Otherwise, rents can only be raised with the concurrence of FmHA, and then only after requests for additional rent supplements have been made. Sales of 515 projects are also controlled by FmHA. Upon sale, an owner must demonstrate to the satisfaction of FmHA that the project will continue to be of benefit to low-income households.

Combination with Other Programs: As mentioned above, the FmHA Rental Assistance Program and the Section 8 Existing Housing Program are used in conjunction with 515 developments.

The rental assistance program, like Section 8, subsidizes rents that exceed 25% of adjusted annual incomes. The subsidized amount is determined by formula, depending on how the FmHA was originally funded. The subsidy stays with the project, not the tenant.

Section 8: Lower-Income Rental Assistance

Section 8 is presently the principal source of federal rent subsidies for lower-income households.

The Section 8 program provides "Housing Assistance Payments" to owners, developers, and public housing agencies to make up the difference between the Fair Market Rent (FMR) of the unit as periodically established by HUD, and the contribution of the tenant. That contribution may range from a minimum of 15% to a maximum of 25% of income, adjust for family size.

Section 8 has four main parts: New Construction, Substantial Rehabilitation, Moderate Rehabilitation, and Existing Housing.

New Construction and Substantial Rehabilitation

General

The Section 8 New Construction program provides rent subsidies for newly constructed units to the extent necessary to ensure that eligible tenants pay 25 per cent of their adjusted gross income for rent. HUD pays the difference between the tenant rent and the market rent on the unit pursuant to a contract with the owner. These contracts have terms of 20 - 40 years, depending on the source of financing. The Housing Assistance Payments contract functions as security for the developer in obtaining financing for the project.

Protection of Affordability: The HAP contract makes up the difference between what a lower-income household can afford and the fair market rent for an adequate housing unit. No eligible tenant pays more than 25% of adjusted income for rent. These contracts usually run 20 years and can go up to 40 years if CHFA financing is used. The subsidy remains with the housing units.

Combination with other programs: The Section 8 New Construction or Substantial Rehabilitation program can be used to finance multi-family developments, or any number of units in such developments. These subsidies can also be used on a scattered site basis, as well as with any type of financing, including tax-exempt bonds.

Under the rental programs utilized in Lincoln, the following is an estimate of the range of monthly payments found in recently built projects.

Parkview Apartments	\$175 - \$255
Golden Village	\$ 70 - \$250
Valle Vista	\$175 - \$270
Senior Citizen Complex	\$215 - \$245

APPENDIX C

REHABILITATION SUMMARY

The following is a summary of how the City anticipates its rehabilitation program operating should Community Development Block Grant funds become available to the City. Units to be selected will include both owner occupied and investor owned (rentals).

1. Contact is made with residents through the use of flyers and/or newspaper ads and other means. Explanation of the program is given including income guidelines. Interested persons are encouraged to contact the City for further information.
2. Interested persons are interviewed. Some of the items covered are: A. Income information and documentation. B. Amount of funds available. C. How a determination is made, etc. If a person is preliminarily eligible for rehabilitation a request for an inspection is signed, as is a preliminary agreement between the City and the owner (see attachment). A file is then set up for the applicant.
3. An inspection of the property is made by the building inspector (or a qualified inspector if the City does not have a building inspector). A report on all code violations (or violations of the minimum property standards whichever is more rigid) is made in writing by the inspector.
4. The inspection report as well as the information gathered from the applicant is brought before a citizens committee (or the City Council where no committee has been formed). The name of the applicant is deleted so all the committee/council deals with is the problems of the dwelling and information on the applicant.
5. Units to be rehabilitated are selected and the ownership of the property is verified.
6. A comprehensive description of work is written. A bid packet is compiled. The owner and the City select a bid for award (generally low bid unless there are extenuating circumstances). Bid is awarded.
7. At this point the agreement between owner and contractor is entered into as is a lien agreement between the City and the owner.
8. Work is commenced on the property as outlined in the contract documents. (A brief summary of how work is to be done is found in the agreement between the owner and the contractor.)

9. Inspections are made by the inspector during the work to ensure that all standards are being met. A final inspection report is given in writing by the inspector. Also included on the report are the owners concurrence with the work, as well as the Contract Certification.

This summary is in no way meant to be complete as to all work necessary for a smooth running housing rehabilitation program but is representative of the anticipated process.

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